

Association
Of
Village Council Presidents, Inc.
Comprehensive Economic Development Strategy Plan
2002-2007

January 9, 2002

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**ASSOCIATION OF VILLAGE COUNCIL PRESIDENTS
COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs) PLAN
2002 - 2007**

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**I. TRIBAL ORGANIZATION RESPONSIBLE FOR OVERALL
ECONOMIC DEVELOPMENT ACTIVITIES.**

The Association of Village Council Presidents is one of the federally recognized Alaskan unorganized regional associations, its membership consisting of 56 Yukon-Kuskokwim Delta village tribal councils. Its jurisdictional boundaries extend from the Yukon River village of Russian Mission, downriver to the Bering Sea, including Kotlik, south to Goodnews Bay, and going up the Kuskokwim River to Stony River/Lime Village, an area encompassing approximately 56,000 sq. miles located in Southwestern Alaska. The association meets annually in a convention, where 56 member Full Board of Directors are elected to conduct its business during the convention. In 1977, Association of Village Council Presidents, Inc. (AVCP, hereafter), was formally incorporated as the 501(c) (3) non-profit corporation for the region, which from the 56 member AVCP Full Board of Directors, 11 are selected to serve as the Executive Board. In addition, the Traditional Chief of AVCP, a lifetime appointment, sits in this Board. The Executive Board meets quarterly.

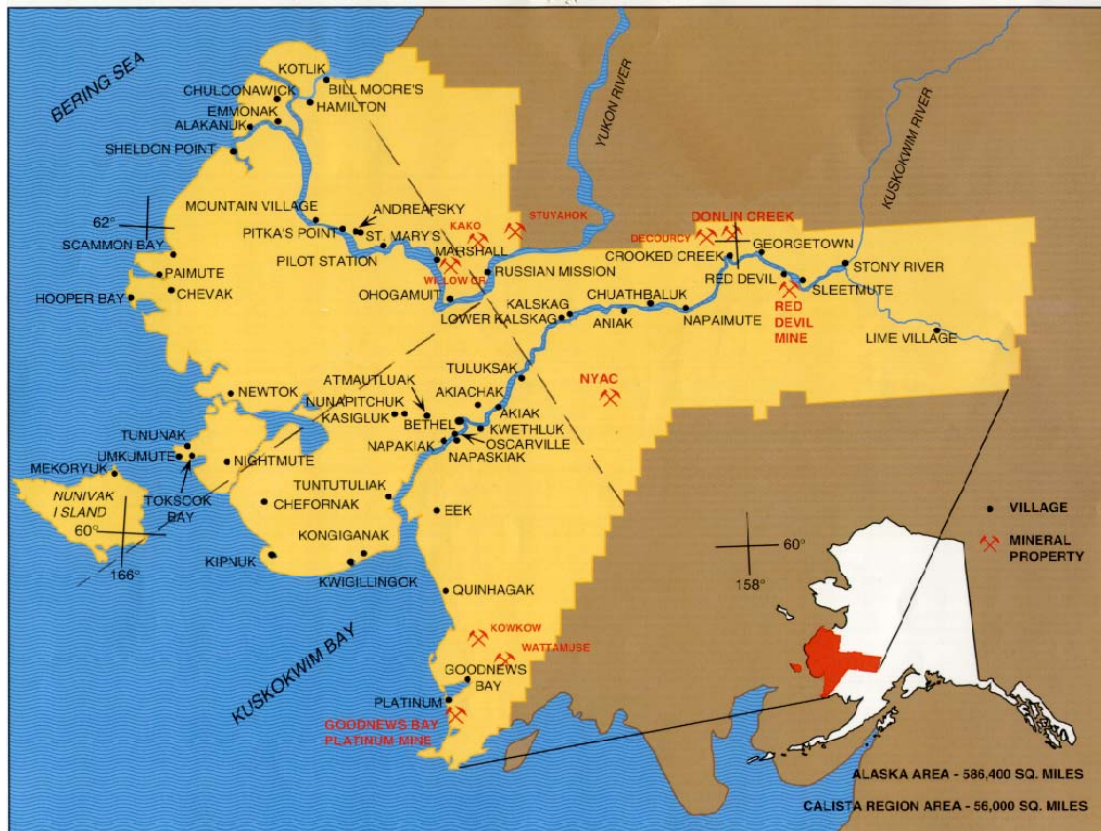
AVCP, Inc. Executive Board of Directors
As of 10/4/2001

Traditional Chief	Joe Lomack
Administrative Unit 1	Joseph Mike
Administrative Unit 2	Gail Alstrom
Administrative Unit 3	Evan Savage
Administrative Unit 4	Jackson Lomack
Administrative Unit 5	Carl Motgin
Administrative Unit 6	Jimmy Stevens, Sr.
Administrative Unit 7	Peter Miller
Administrative Unit 8	Paul John, Second Chief
Administrative Unit 9	Francis Charlie
Administrative Unit 10	Wassillie Bavilla
At-Large	Ivan M. Ivan, Chairman

The mission statement states “The Association of Village Council Presidents, Inc. provides human development, social services, and other culturally relevant programs for the people, to promote self-determination, protection and enhancement of our culture and traditions through a working partnership with member villages of the Yukon-Kuskokwim Delta.” Consistent with the mission statement, AVCP compacts several federal and state grants and programs, such as JOBS, childcare, employment and training, Temporary Assistance, fisheries disaster funding, and other social service programs. AVCP has grown into several departments, which include, Administration, Accounting, Education, Employment, Training and Child Care, Head Start, Natural Resources, Planning, Realty, Receiving Home, Social Services, Temporary Assistance to Needy Families, Tribal Services, Village Public Safety, Vocational Rehabilitation, Yup’ik Cultural Center and Museum.

In FY2001, AVCP received a planning grant from Economic Development Administration (EDA) to develop the AVCP Comprehensive Economic Development Strategy (CEDS) Plan. The Planning Department of AVCP (the Economic Development Planner specifically) is tasked with the development of the plan. Bob Angaiak was hired during the last week of January 2001 to fill the position, and is in charge of the task.

II. THE AVCP REGION AND ECONOMIC ACTIVITY



Area Map (courtesy of Calista Corp.)

General Geographic Characteristics

AVCP Region (see area map) encompasses the Yukon-Kuskokwim Delta. The Andreafsky Hills in the North, the Kuskokwim Mountains in the East, the Kilbuck Mountains in the Southeast, and the Bering Sea in the West border the area. The region is sub-arctic tundra, with more than 400,000 charted lakes and ponds. Boreal forests are located along the inland Yukon and Kuskokwim river areas of the region, but most is treeless tundra.

The communities located in better-drained soils are generally along the inland hill and mountain areas of the river systems where the boreal forest begins, Russian Mission in the Yukon River and Lower Kalskag in the Kuskokwim River. The rest of the communities generally are in silty topsoils, which tend to remain wet, and drain poorly.

The general geology of the coastal and delta drainage area consists of older coastal deposits of interlayered alluvial and marine sediments including coastal delta deposits. The soils are formed from stratified silts and sandy lacustrine deposits and alluvial sediments. The soil is ice-rich and frost susceptible. The soil has fine grain, is poorly drained and usually collapses when it thaws. Moderately thick to thin permafrost is expected, with a maximum depth extending to about 600 feet. Permafrost is absent

around large bodies of water. The active layer of permafrost is estimated to range between 1.5 and 3 feet deep, depending on ground cover and weather conditions.

The land that encompasses most of the coast is classified as Palustrine System wet tundra; common types are emergent marshes and swamps and open water ponds (Cowardin 1979). Vegetation is either subarctic wet, subarctic moist or subarctic alpine tundra, depending on the elevation. All the soil is underlain by permafrost, with possible exceptions around lakes. For example, approximately 80% of the vegetation in Kotlik is tundra; the remaining 20% is a combination of high and low bush muskeg, and both lowland and bottom land forest. Tundra vegetation is commonly sedges, grass, dwarf scrub and peatland complexes.

The geology of the central Kuskokwim river region is dominated by a sequence of folded, sedimentary rock comprised of limestones, graywacke, siltstones and shales of Cretaceous and Tertiary age or earlier. These earlier sedimentary deposits are overlain in places by Late Cretaceous to early Tertiary volcanic and plutonic rock and some Quaternary basalt flows. During the late Pliocene or early Pleistocene epochs, the Kuskokwim Mountains were uplifted. The present topography has developed by erosion of this old surface on the uplifted blocks. The upper Cretaceous beds have been faulted at shallow depth into crested folds, which tend to parallel the margins of the sedimentary basin. Bedrock is locally overlain by thick surface deposits of loess and alluvium or colluvium of Pleistocene and Holocene age (Box, et al. 1993, Cady, et al. 1955).

The climate for the region ranges from continental influences in the inland areas to maritime on the coast, and a combination in between. Table 1 is representative for the climate areas (*Source: Alaska Department of Commerce and Economic Development, Community Profiles*).

Location	Climate Influence	Mean Annual Snowfall	Mean Annual Precipitation	Temperature Range	
				Low	High
Sleetmute	Continental	85 inches	22 inches	-58	90
Aniak	Continental in winter, maritime in summer	60 inches	19 inches	-55	87
Hooper Bay	Maritime	75 inches	16 inches	-25	79

Table 1

AVCP Communities

The region covers:

- 56 Tribal Councils, located in 48 permanently occupied communities, many of which also have State municipal incorporation status (Cities).
- 2 census districts (Wade-Hampton and Bethel, which is further sub-divided into Aniak and Lower Kuskokwim)
- 3 Senate Districts: R, S, T
- 3 Representative Districts: 36, 38, 39.

- 7 School Districts: Lower Kuskokwim, Lower Yukon, Yupiit, Kashunamiut, Kuspuk, and St. Mary's. One school, Lime Village, is in the Iditarod School District, which the rest of its membership is outside of the AVCP Region.
- 2 Health Corporations: Yukon-Kuskokwim (also services non-AVCP communities of Grayling, Anvik, Shageluk and Holy Cross) and Bristol Bay (which also services the AVCP Communities of Goodnews Bay and Platinum).
- Several Tribally-Designated Housing Entities (39 of the established Tribes have designated AVCP Regional Housing Authority as its TDHE)
- 56 Alaska Native Claims Settlement Act (ANCSA) Local for-profit Corporations
- 1 Regional ANCSA Regional for-profit Corporation: Calista (serves the same area as AVCP)
- 3 Alaska Regional Development Organizations (ARDORs): Lower Kuskokwim Economic Development Council, Lower Yukon Economic Development Council, and Interior Rivers Resource Conservation and Development Council
- 2 Community Development Quota groups (CDQ): Coastal Villages Resource Fund, and Yukon Delta Fisheries Development Association (also includes a non-AVCP community of Grayling)

The summary of the above is listed in Appendix A.

All 56 AVCP communities are located along the coast, and the Yukon and Kuskokwim River systems. None of them are interconnected to a road system with the exception of St. Mary's, Pitka's Point, and Mt. Village (approximately 22 miles), and Lower Kalskag and Upper Kalskag (approximately 3 miles).

Bethel is the major hub community for the AVCP region and is the only community with medium-depth port facilities. The port is used for lighterage of heavy and bulk items to other AVCP coastal and Kuskokwim river community destinations. The other hubs are Aniak, which services the inland Kuskokwim communities and the communities of Russian Mission to Grayling on the Yukon River, and St. Mary's, which services the Lower Yukon communities. The Yukon River communities can receive heavy and bulk items lightered through Fairbanks/Nenana or Nome/St. Michaels.

Each of the hub communities has 6,000 feet or greater paved airports with passenger and airfreight facilities, and can accommodate larger aircraft such as the Boeing 737 passenger jet aircraft and the Lockheed Hercules turboprop cargo hauler. Most community airfields can accommodate airplanes of up to smaller twin-engine propeller types, such as the Piper Navajo.

Population

All data is from the 2000 and 1990 U.S. Census unless specifically cited. Calista Region is used to retain consistency with the census data.

	2000Census	1990Census	change	%change
Alaska Total	626,932	550,043	76,889	14
Calista Total Population	23,032	19,447	3,585	18.4
Calista Native Population	19,617	16,775	2,842	16.9
Alaska Median Age(yrs)	32.4	29.4	3	10.2
Calista Median Age(yrs)	23.8	23	0.8	3.5
Alaska Native Pop.(%)	15.6	15.6	0	0
Calista Native Pop.(%)	85.2	86.3	-1.1	-1.3

Table 2

The Calista Region 2000 census shows a total population of 23,032, which 19,617 are listed as American Indian or Alaska Native, representing 85.2% of the region's population compared to 15.6% Statewide. The median age for the region age is 23.8 years, compared to 32.4 years Statewide. In comparison, the 1990 census showed the region had a total population of 19,447, with a total Native population of 16,775, representing 86.3% of the population in the region compared to 15.6% Statewide. The median age for the region in 1990 census was 23 years compared to 29.4 years Statewide.

Table 2 illustrates that the region's population grew faster than the State's (both in total and Native percentages), aged slightly but not as much as the State's, but is still a much younger population as a whole. The area's predominately Native population decreased slightly percentage-wise from the 1990 census.

Table 3 below compares the Calista region, the State of Alaska, and the U.S. in relation to age groups.

age(yrs)	<5	5-9	10-14	15-19	20-24	25-34	35-44	45-54	55-59	60-64	65-74	75-84	>84
Alaska(%)	7.6	8.6	9.0	8.0	6.4	14.3	18.2	15.1	4.4	2.8	3.6	1.7	0.4
Calista(%)	10.2	12.4	12.8	9.6	6.5	13.4	14.5	9.9	3.5	2.1	3.2	1.5	0.4
U.S. (%)	6.8	7.3	7.3	7.2	6.7	14.2	16	13.4	4.8	3.8	6.5	4.4	1.5

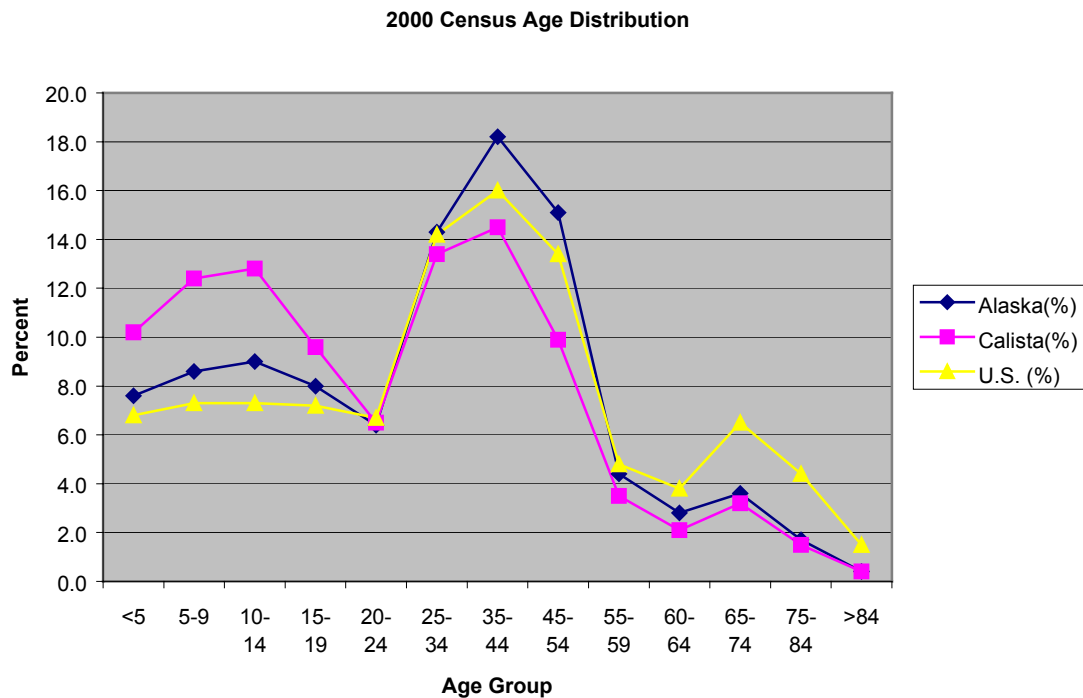


Chart 1

Chart 1 shows that the percentage of the <5 to the 15-19 years age group is higher as compared to the State, and even more so than that of U.S., but is lower in the 20-24 to 75-84 age group. The <5 to 19 years age group contributes significantly to the area's younger median age as compared to the State's and the U.S. The State shows a higher percentage population in the prime wage earning years, but start to draw even beginning with the 55-59 groups. This may reflect stabilization of the population from those moving out of the state, but also that those from the AVCP villages tend to remain in the region.

	2000Census	1990Census	change	%change
Calista Region Total	23,032	19,447	3,585	18.4
Bethel Census District	16,006	13,656	2,350	17.2
Wade-Hampton	7,028	5,791	1,237	21.4
Calista Median Age(yrs)	23.8	23	1	3.5
Bethel District Median	25.3	25.1	0	0.8
Wade-Hampton Median	20	20.9	-1	-4.3

Table 3

Table 3 compares the census districts within the Calista Region. While both the districts grew faster than the State as a whole, the Wade-Hampton census area grew much faster compared to the State (21.4% vs. 14%). Also, in reverse of the area and the State, the Wade-Hampton area got younger as a whole (20 years from 20.9 years median age).

Chart 2 below shows the comparison of the Calista region age groups divided into Bethel and the Wade-Hampton census districts. The Bethel census district is comprised of the Aniak and the Lower Kuskokwim census subdistricts.

Age	<5	5-9	10-14	15-19	20-24	25-34	35-44	45-54	55-59	60-64	65-74	75-84	>85
Aniak Subdistrict	8.3	11.8	13.8	10.7	5.8	9.7	16.5	11.5	3.6	2.7	3.6	1.7	0.3
LK Subdistrict	10.2	11.9	11.6	9	6.8	13.9	15.3	10.5	3.7	1.9	3.2	1.5	0.4
Wade-Hampton	10.6	13.6	15.2	10.7	6.3	13.2	12.4	8.2	2.8	2.1	3.2	1.5	0.3
Alaska(%)	7.6	8.6	9.0	8.0	6.4	14.3	18.2	15.1	4.4	2.8	3.6	1.7	0.4

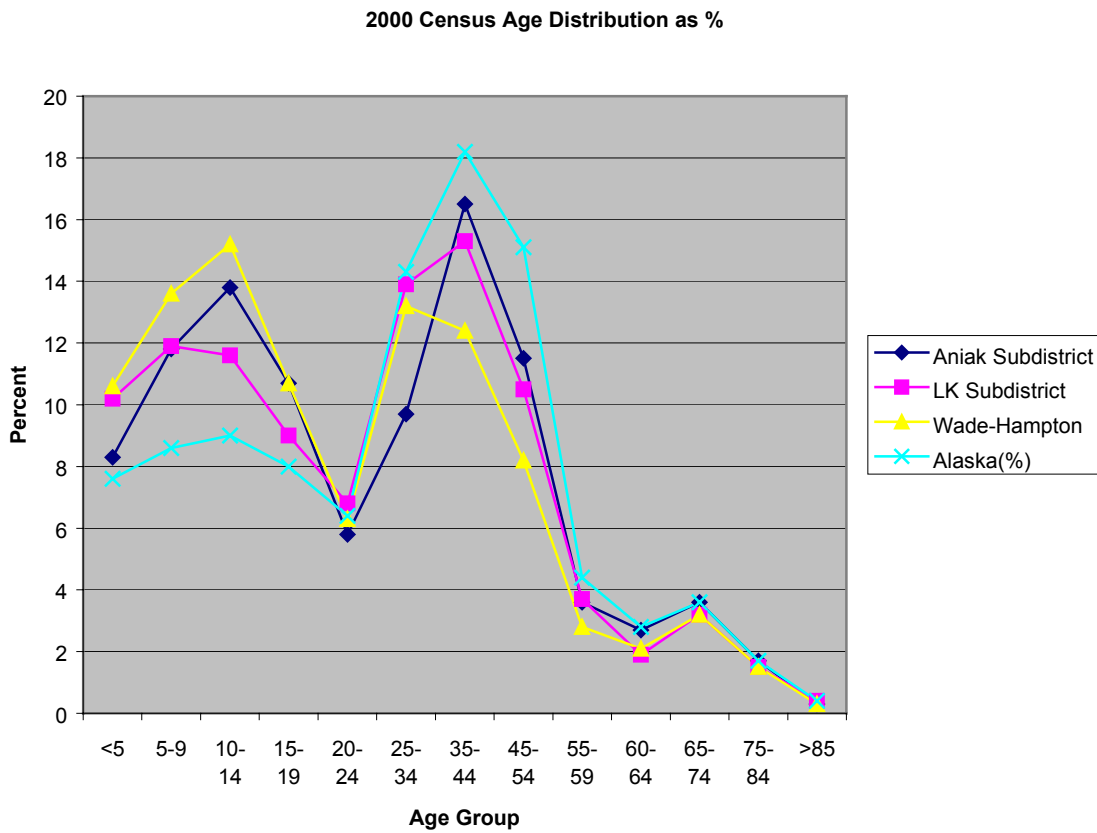


Chart 2

Chart 2 shows all areas being younger in the <5 years to the 15-19 years age group, with the Wade-Hampton area with the highest percentage. Also, the Wade-Hampton area shows least representation in the 35 to 59 years age group. The Aniak Sub district shows the most variation between the age groups represented within the region, and interestingly show lower representation in the <5 and the 20-34 age groups.

Population Projections

All data is from Alaska Department of Labor and Workforce Development, Research and Analysis Section, unless specifically cited otherwise.

The following Tables 4,5,and 6 are the projected population projections for the Bethel and the Wade-Hampton census districts. In Table 4 below, the 2000 census figures are shown to compare projected figures (1998 estimates to 2018). The 2000 census is very close to the 1998 estimate in the Bethel Region, while the 2000 census is actually lower by 35 persons than the 1998 estimate in the Wade-Hampton region.

Projected Population - Total						
	1998 est.	2000 census	2003	2008	2013	2018
Bethel	15,997	16,006				
Bethel-High			18,060	20,389	23,082	26,110
Bethel-Med			17,438	19,092	21,043	23,192
Bethel-Low			17,071	18,279	19,688	21,223
WH	7,063	7,028				
WH-High			8,450	10,073	11,993	14,240
WH-Med			7,944	9,000	10,263	11,677
WH-Low			7,554	8,134	8,841	9,600

Table 4

Projected Population - 18+Years					
	1998 est.	2003	2008	2013	2018
Bethel	9,309				
Bethel-High		10,125	11,213	12,299	13,519
Bethel-Med		1,045	11,047	12,041	12,970
Bethel-Low		9,963	10,874	11,766	12,398
WH	3,612				
WH-High		3,943	4,486	5,038	5,725
WH-Med		3,912	4,420	4,933	5,425
WH-Low		3,880	4,350	4,820	5,120

Table 5

Projected Population - 5-17 Years					
	1998 est.	2003	2008	2013	2018
Bethel	4,693				
Bethel-High		5,383	6,280	7,350	8,862
Bethel-Med		5,215	5,585	6,083	6,934
Bethel-Low		5,049	4,880	4,820	5,423
WH	2,419				
WH-High		2,916	3,718	4,679	5,838
WH-Med		2,768	3,106	3,548	4,231
WH-Low		2,654	2,522	2,443	2,684

Table 6

Employment and Unemployment

All data is from Alaska Department of Labor and Workforce Development, Research and Analysis Section, unless specifically cited otherwise.

Alaska											
year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Labor Force	270,275	275,954	287,728	297,777	305,089	302,996	312,962	314,548	317,641	318,882	321,964
Employment	251,257	251,940	261,155	274,788	281,417	280,829	288,511	289,735	299,247	298,577	300,668
Unemployment	19,018	24,015	26,574	22,989	23,672	22,167	24,451	24,813	18,394	20,305	21,296
Rate	7	8.7	9.2	7.7	7.8	7.3	7.8	7.9	5.8	6	6.6
Bethel District											
year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Labor Force	4,069	4,613	5,157	5,087	5,472	5,729	6,002	5,858	6,192	6,344	6,276
Employment	3,782	4,210	4,693	4,733	5,064	5,272	5,429	5,335	5,733	5,811	5,653
Unemployment	287	403	464	354	408	457	573	523	459	533	623
Rate	7.1	8.7	9	7	7.5	8	9.5	8.9	7.4	8.4	9.9
Wade-Hampton											
year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Labor Force	1,373	1,557	1,714	1,720	1,843	1,916	1,955	1,979	2,133	2,200	2,230
Employment	1,211	1,356	1,524	1,540	1,645	1,693	1,745	1,733	1,858	1,884	1,833
Unemployment	162	201	190	180	198	223	210	246	275	316	397
Rate	11.8	12.9	11.1	10.5	10.7	11.6	10.7	12.4	12.9	14.4	17.8
U.S. Rate-Unem	5.6	6.9	7.5	6.9	6.1	5.6	5.4	4.5	4.5	4.2	4

Table 7

Table 7 shows employment and unemployment figures for the Alaska, Bethel and Wade-Hampton Census Districts each year from 1990 to 2000, with the U.S. Unemployment rate for comparison.

It should be noted that the Community of Bethel, and Aniak to a lesser degree, has a skewing effect to the Bethel District figures, in relation to employment and unemployment. There are 36 place names listed in the Bethel Census District (3 communities had zero population in 1990). In the 1990 census, Bethel City accounted for 34.22% (34.18% in 2000) of the area population, 48.2% of the people employed, and 31.8% of the people unemployed. Additionally, if the Aniak hub is included with Bethel, these two communities represented 38.18% (37.75% in 2000) of the area population, 53.3% of the people employed, and 35.5% of the people unemployed. This would infer the Bethel Census District would be closer to the Wade-Hampton Census area statistics outside of the communities of Bethel and Aniak. The Wade-Hampton Census area could be regarded as a representation of "Village Alaska" (*pages 17-18, Alaska Economic Trends, August 2000*).

Table 8 below summarizes the overall percentage change in the labor picture in the AVCP area and Alaska from years 1990 and 2000.

Change	Labor Force	Employment	Unemployment	Unempl. Rate
Alaska %	19.1	19.7	12	-5.7
Bethel District %	54.2	49.5	117.1	39.4
Wade-Hampton %	62.4	51.4	145.1	50.8

Table 8

Both the AVCP areas show that the labor force and employment percentages grew faster than the State. However, where the unemployment grew smaller in comparison to growth for the employed for the State as a whole (-5.7 %), unemployment in the AVCP region grew much more dramatically (39.4% and 50.8%, respectively) comparing 1990 and 2000.

Chart 3 below plots the unemployment rates from 1990 to 2000 for the State and the AVCP region. See Table 4 for reference.

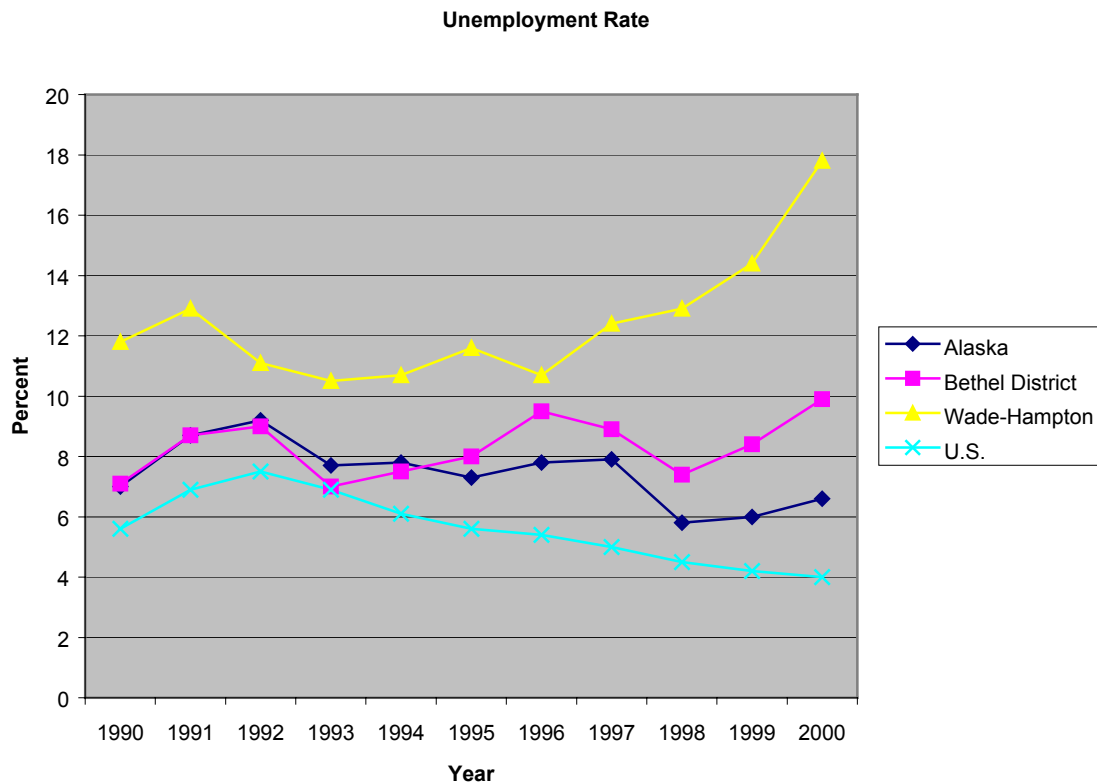


Chart 3

Chart 3 shows that Alaska has generally higher unemployment rates than the U.S. in the periods from 1990 to 2000. Where there is overall decreasing unemployment rate in the U.S., Alaska started the last upward trend in 1998. The Bethel District stays approximately even with the State, even slightly lower from 1991 to 1994. Beginning

from 1995, the Bethel region unemployment increases above the State, remaining above the State's since then. The Wade-Hampton district unemployment averages remain above the State's throughout, maintaining its upward trend since 1996.

Chart 4 below measures the unemployment percentage gap using the State employment average as the base.

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Alaska	0	0	0	0	0	0	0	0	0	0	0
Bethel District	0.1	0	-0.2	-0.7	-0.3	0.7	1.7	1	1.6	2.4	3.3
Wade-Hampton	4.8	4.2	1.9	2.8	2.9	4.3	2.9	4.5	7.1	8.4	11.2

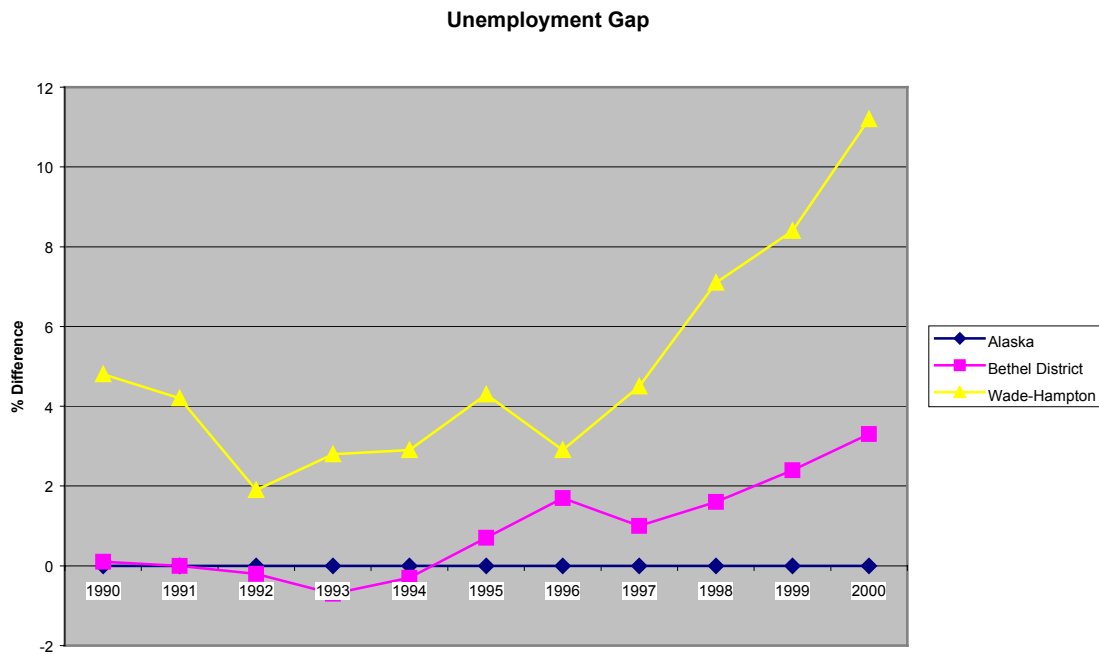


Chart 4

The zero figure is the State average as the base. For the Bethel district, it shows the gap decreasing initially, even lower than the State's starting from 1992 to 1994. Starting from 1995, unemployment jumps above the State's, and steadily widening. Overall, unemployment has been increasing since 1993 in the Bethel District, the widest gap in 2000. The Wade-Hampton District, as expected, remains above the State average overall. However, it does show there was a general steady closure of the unemployment gap with the State from 1990 to 1992. The gap increases from 1992 to 1995, takes a dip in 1996, but since 1996, there is a reversal and has a dramatic widening of the gap, ending with the highest levels in 2000, being 11.2% higher than the State's. In summary, unemployment is outpacing the growth of employment in the AVCP region when compared to the State.

Employment and Earnings

All data is from Alaska Department of Labor and Workforce Development, Research and Analysis Section, 1998 Employment & Earnings Summary Report, unless specifically cited otherwise. There are several nondisclosable categories indicated in this report.

The data available does not break out the employment and earning from commercial fish harvesting related activities for the Bethel and the Wade-Hampton Census Districts, although they are included with other areas in other data sets. Commercial fishing is treated separately later in its own heading.

Average Monthly Employment						
	Federal Gov	State Gov	Local Gov	Total Gov	Private Owner	Total
Alaska	17,175	21,538	32,694	71,407	200,500	271,907
Bethel District	125	299	1,935	2,359	3,522	5,881
Wade-Hampton	34	34	1,110	1,178	763	1,941

Table 9

Table 9 above tabulates the average monthly employment for Alaska and the AVCP region in 1998. The lower number in the Federal and State Government representation for the Wade-Hampton area underscores that the majority of Federal and State government offices are located in the City of Bethel, which is the major hub of the AVCP region.

Average Monthly Employment in % 1998					
	Federal Gov	State Gov	Local Gov	Total Gov	Private Owner
Alaska	6.3	7.9	12	26.3	73.7
Bethel District	2.1	5.1	32.9	40.1	59.9
Wade-Hampton	1.8	1.8	57.2	60.7	39.3

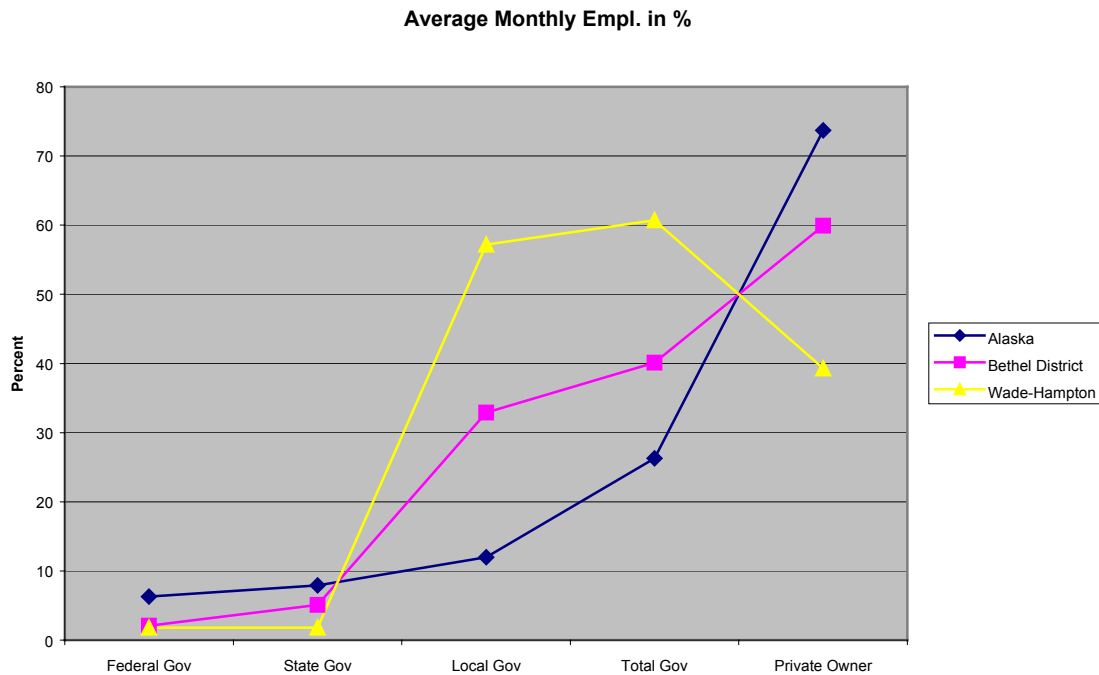


Chart 5

Chart 5 illustrates where employment was for the State and the AVCP region expressed in percentages. It shows that employment by government has a much higher impact in the AVCP region. In the Wade-Hampton area, employment by private ownership is 21% lower than the government's, in reverse of the other areas. Village governments depend heavily on federal and state governmental pass through grants and capital projects for new cash infusion, which is shown in the impact of local governments in both the AVCP regions. Total government employment was 40.1% in the Bethel District, and 60.7% in the Wade-Hampton area as compared to 26.3% for the State in 1998.

Yearly Earnings in \$, 1998						
	Federal Gov	State Gov	Local Gov	Total Gov	Private Owner	Total
Alaska	786,153,743	795,439,664	1,141,400,907	2,722,994,314	6,385,282,809	9,108,277,123
Bethel District	4,945,207	14,294,869	42,895,642	62,135,718	83,545,004	145,680,722
Wade-Hampton	783,717	845,003	21,867,145	23,495,865	11,383,311	34,879,176

Table 10

Table 10 shows the 1998 earning for the State and AVCP region, in dollars. As a whole, the AVCP region earned \$180,559,898.00, of which \$94,928,315.00 was by private industry (52.5%) and \$85,631,583.00 by total government (47.5%). In comparison, private ownership earned 70.1% of total earnings, and 29.9% by total government in Alaska.

In the Bethel district, the private industry earned \$83,545,004.00 (57.3%) and total government earned \$62,135,718.00 (42.3%). In the Wade-Hampton district, private

industry earned \$11,383,311.00 (32.6%), and the total government earned \$23,495,865.00 (67.4%).

Average Monthly Earnings in \$, 1998						
	Federal Gov	State Gov	Local Gov	Total Gov	Private Owner	Total Ave.
Alaska	3,814	3,078	2,909	3,178	2,654	2,791
Bethel District	3,292	3,990	1,848	2,196	1,977	2,064
Wade-Hampton	1,907	2,092	1,642	1,662	1,244	1,498

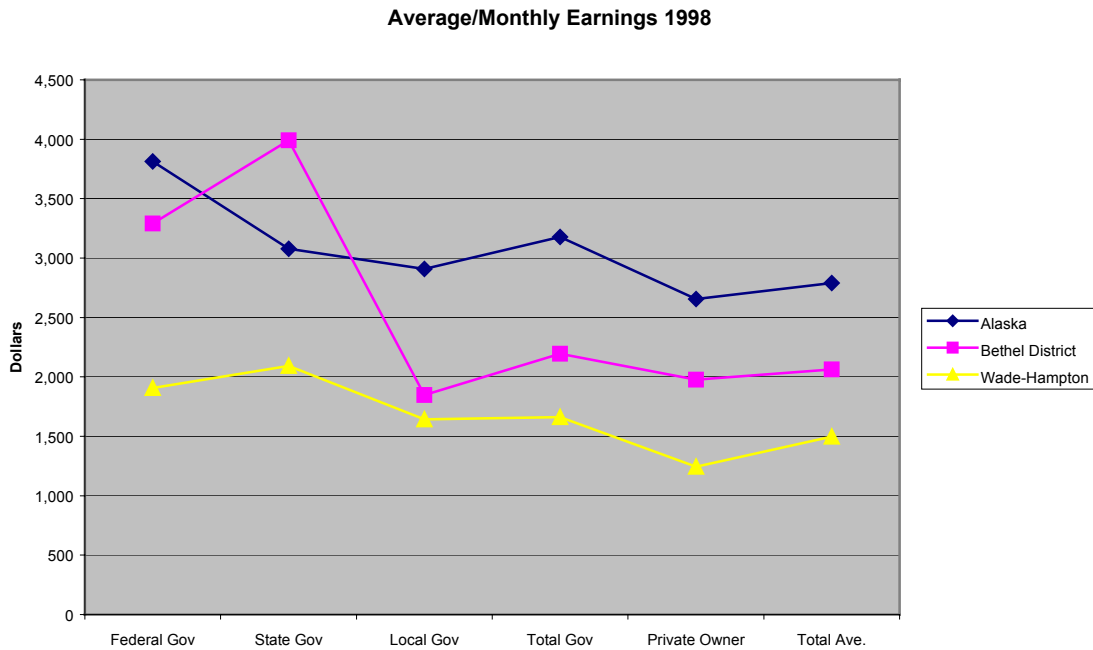


Chart 6

Chart 6 is the average monthly earnings of the State and the AVCP region in 1998. With the exception of the State Government category for the Bethel District, all areas are less than the state average in the AVCP region, again with the Wade-Hampton area with the most depressed numbers. Overall, Bethel District average monthly earnings were 1.35 times less than the State, and Wade-Hampton was 1.86 times less than the State. For Wade-Hampton, private ownership average monthly earnings were 2.13 times less than the State.

1998 employment				
Category	Bethel District	Wade-Hampton	Alaska	Alaska Ranking
Total Government	2,358	1,178	71,407	1
Services	1,730	291	67,037	2
Retail Trade	558	254	47,426	3
Transportation, Communications & Utilities	482	132	25,484	4
Finance, Insurance & Real Estate	364	58	11,331	7
Nondurable Goods Manufacturing	299	22	11,674	6
Wholesale Trade	45	1	9,167	9
Construction	32	4	13,432	5
Mining	10		10,446	8
Nonclassifiable Establishments	2		369	12
Durable Goods Manufacturing	1		2,711	10
Agriculture, Forestry, and Fishing			1,422	11
Totals	5,881	1,940	271,906	

Table 11

Table 11 above breaks out the annual average monthly employment into industry categories ranked in descending order using the Bethel District. As shown, some categories aren't tabulated in the Bethel and Wade-Hampton Districts. Notably, fish harvesting does not show up in either district, which is a report format used for several years. Also, construction is poorly represented in both regions, as it is usually site specific, which the numbers decrease, averaged out for the year. Typically, both commercial fishing and construction activities in the region are for a relatively short duration.

The top five industries in the Bethel and Wade-Hampton Districts, excluding government, are Services, Retail Trade, Transportation, Communications and Utilities, Finance, Insurance & Real Estate, and Nondurable Goods Manufacturing. The top three rank equally with the State. The following Tables 12-16 show in more detail of the top industries in the Bethel and Wade-Hampton areas.

Services Detail	Bethel District	Wade-Hampton
Membership organizations	927	176
Health Services	496	1
Social Services	155	81
Amusement & recreation services	49	32
Business Services	32	
Hotels & other Lodging Places	28	
Engineering & management services	14	1
Legal Services	9	
Misc. services	5	
Personal Services	3	
Auto repair, services & parking	3	
Motion pictures	3	
Private households	3	
misc. repair services	1	
Educational Services	1	

Table 12

Table 12 details the Services employment in the Bethel and Wade-Hampton areas. The top three, Membership organizations, Health Services and Social Services represent 91% of the average monthly employment in the Bethel District, and 88% in the Wade-Hampton area.

Membership organizations, per the Department of Labor Standard Industry Code classification system, include trade associations, professional membership organizations, labor unions and similar labor organizations, political and religious organizations. This category has the highest representation in both districts. Industries as a result of membership to Tribal organizations are included in this category, which would account for a large representation of this group.

Health Services has a large representation in the Bethel District, but 1 in the Wade-Hampton area. Social services are well represented in both districts.

Retail Trade Detail	Bethel District	Wade-Hampton
General merchandise stores	316	189
Food stores	141	57
Automotive dealers & service stations	42	4
Eating & drinking places	23	
Building materials & garden supplies	20	
Misc. retail	16	4
Furniture & home furnishing stores	1	

Table 13

Table 13 shows that in retail trade, general merchandise and food stores represented 82% of the average monthly employment in the Bethel District, and 97% in the Wade-Hampton area. Presence of other sub-categories is small or non-existent in Wade-Hampton area, as would be expected in “Village Alaska”.

Transportation, Communications & Utilities	Bethel District	Wade-Hampton
Transportation by air	236	130
Communication	101	
Electric, gas & sanitary services	98	2
Trucking & warehousing	29	
Transportation services	9	
Local & interurban passenger transit	7	
Water transportation	3	

Table 14

Table 14 reflects the AVCP region’s heavy reliance on air transportation for movement of people and goods, representing 48.8% for this category in the Bethel District, and 98.8% in Wade-Hampton. As stated earlier, most AVCP region communities are not connected by roads systems. In winter, ice roads connect several communities in the river systems, but ice thickness must be considered safe, typically between December and

early April. Snow machine is the most common mode of transportation in the winter, outside of the hub communities. In the summer, close communities use small watercraft for inter-village travel, but in either case, air travel is still common.

Communications cover telephone communications, telegraph and message communications, radio and television broadcasting stations, cable and other pay television services, and other communications not listed above. Individual telephone service to each home is now feasible in all the communities, typically serviced by a single point satellite dish in each community. Also, the same technology allows the availability of cable television services.

Local governments typically handle sanitary services in the AVCP region. Electrical power generation is mostly through regional co-operatives, with local private or local government involvement to a much lesser degree.

All heating and electrical power in the AVCP region is generated by fuel oils. Heating fuels and gasoline for private consumption are through a local store or co-operative. It should be noted that most state-operated schools and electric co-operatives have their own established fuel tank farms for their own use. Fuel oils and gasoline are bulk items, which are only available through water transportation, and most communities only receive once per year shipments during the ice-free months, which is generally from May to September.

Finance, Insurance & Real Estate	Bethel District	Wade-Hampton
Holding & other invest. Offices	229	58
Real Estate	100	
Depository institutions	26	
Insurance agents, brokers & service	9	

Table 15

Table 15 show that Holding & other investment offices is well represented in both AVCP areas, and Real Estate in the Bethel District, but none in Wade-Hampton. ANCSA corporations (both Calista and local) are considered as investment companies, and also as the largest owners and lessors of real property in the AVCP region.

Nondurable Goods Manufacturing	Bethel District	Wade-Hampton
Food and kindred products	290	22
Printing & publishing	9	
Lumber & wood products	1	

Table 16

Table 16 shows that the Food and Kindred products group shows a sizeable average monthly employment. The standard codes with the best fit for the AVCP region for this subcategory are 2091 Canned and Cured Fish and Seafoods, and 2092 Prepared Fresh or Frozen Fish and Seafoods. Fish processing activities (not fish harvesting) fit this category.

Commercial Fisheries

The commercial harvest fisheries in the AVCP region generally are the salmon, herring, and offshore bottom fisheries (subject of the Community Development Quota designation).

The commercial salmon fishery has a relatively long history in the region, providing a seasonal source of income for some 1,400 permit holders. However, the salmon fishery has collapsed in the recent years, especially for the Kuskokwim River and the Middle and Lower Yukon River permit holders. The collapse of this fishery has led to economic disaster declarations twice since 1997, the latest in 1999. As of this writing (July 2001), there have been no salmon commercial harvest openings (with exception of two Kuskokwim sub districts), and the subsistence salmon harvest has been restricted in 2001, for the first time ever. This once viable industry can no longer be counted on to provide reliable seasonal income for permit holders (with possible exception of two Kuskokwim sub districts), as dramatically shown in Chart 7 below. Note: Yukon catch is a total salmon catch in the Yukon River system, inclusive to the Canadian border.

Source: Alaska Department of Fish and Game, Commercial Fisheries, Commercial Salmon Harvests-Exvessel Values

In thousands	1994	1995	1996	1997	1998	1999	2000
Kuskokwim	1,540	1,560	1,540	410	760	210	490
Yukon	210	170	360	300	70	130	20

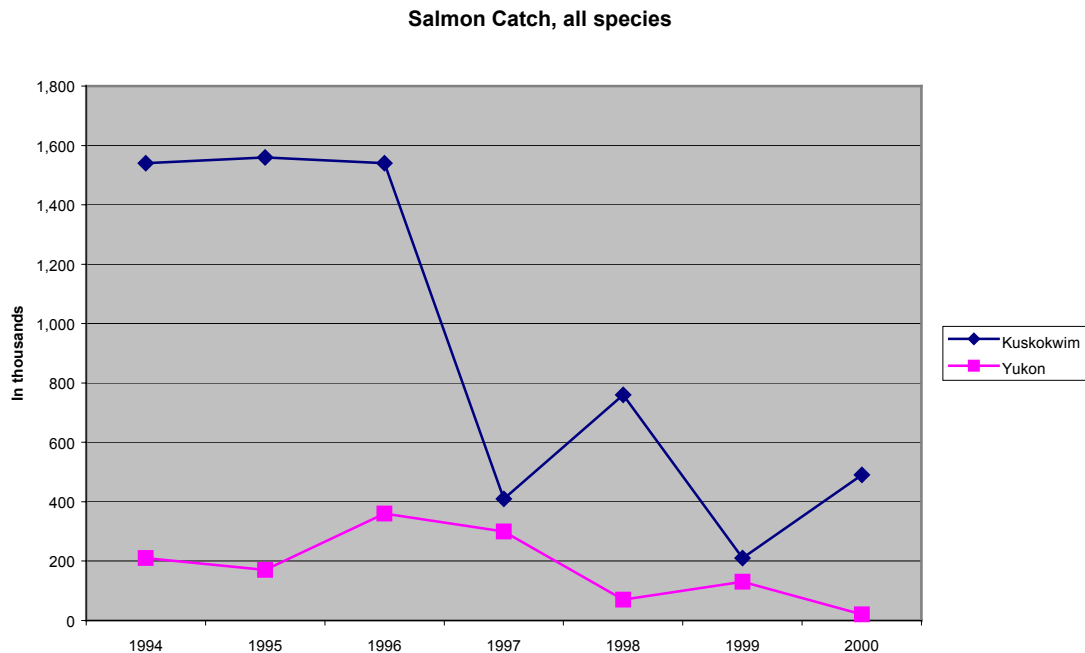


Chart 7

Chart 8 below shows the total value of salmon in both fisheries districts. It shows that the Yukon salmon fisheries, although much smaller in catch comparison to the Kuskokwim salmon fisheries, enjoyed a much higher total value for the fish (although fluctuating much more). However, the chart shows the value fell to its lowest level in 2000. The total value in the Kuskokwim region has been declining steadily, and varying lately since 1997. Again, note that the Yukon salmon fishery includes all of the Yukon River system.

In thousands	1994	1995	1996	1997	1998	1999	2000
Kuskokwim	5,390	4,520	2,880	1,130	1,650	550	1,270
Yukon	5,020	8,090	4,720	6,120	1,950	5,065	740

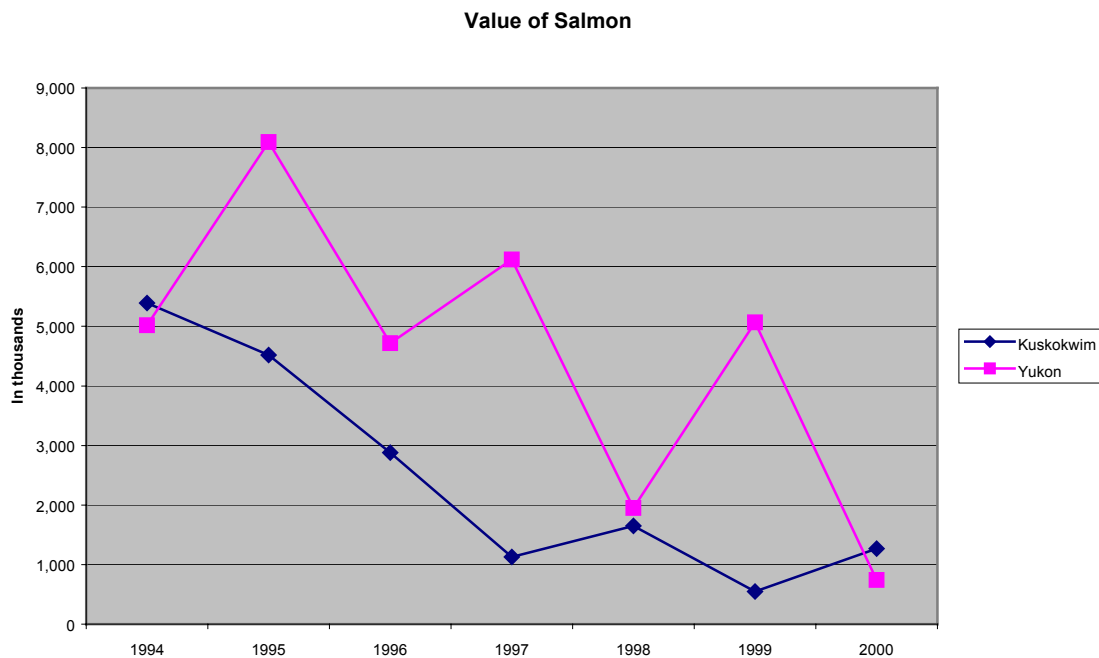


Chart 8

The herring and CDQ fisheries are primarily along the AVCP coastal villages. The herring fishery harvest is for sac roe (primarily a Japanese market) and for bait for the CDQ fishery that follows. The CDQ fishery in the AVCP region is primarily for halibut, caught relatively close to shore and home villages. Although the total value for these fisheries were traditionally much smaller than the salmon fisheries, their importance to the region's economy have been underscored by the collapse of the salmon fishery in the Kuskokwim and Yukon Rivers, in the recent years.

In 2000, the herring fishery contributed approximately \$300,000.00 to the regions economy, where 343 permit holders brought in 1,544 tons of herring. A price of about \$200 per ton appears to have generally held since 1997. *Source: Alaska Department of Fish and Game, Commercial Fisheries, Herring Fisheries, Herring Fishery Updates.*

In 2000, the local halibut fishery took in 273,000 pounds, with prices ranging from \$1.25 to \$1.50 per pound. The contribution to the regions economy therefore is approximately \$342,000.00 to \$409,000.00. *Source: Coastal Villages Regional Fund.*

Transfer Payments

Data is from U.S. Department of Commerce, Bureau of Economic Analysis (BEA), 1999. For more exact applications of the definitions, refer to BEA documentation.

Generally, personal income includes all sources of earnings--wages, interest and dividends, proprietor's income, and other miscellaneous labor income. In personal income, transfer payments are income payments to persons for which no current services are performed. They are payments by government and business to individuals and nonprofit institutions. These cover a broad range, for example, social security, unemployment compensation, veteran benefits, medicare and medicad, ssi, food stamps, general assistance, Alaska Permanent Dividend, etc.

Table 17 below shows the ratio of transfer payments to personal income in 1999.

1999, in thousands	Personal income	Transfer Payments	%TranPymnts
United States	7,784,137,000	1,016,203,000	13%
Alaska	17,735,548	2,669,410	15%
Bethel Area	277,781	85,373	31%
Wade-Hampton Area	90,719	42,286	47%

Table 17

While the State of Alaska as a whole is close the national percentage average, both the Bethel Area and Wade Hampton are over twice of Alaska's, with Wade Hampton having the highest percentage, being a little over three times that of Alaska's. As shown earlier in the importance of government in employment, government transfer payments also have huge impact in the AVCP region.

Per Capita Income

Data is from U.S. Department of Commerce, Bureau of Economic Analysis, published in Alaska Economic Trends, August 2000.

Per Capita Income- Alaska 1994-1998						Percent Change	Percent of U.S.	Percent of Alaska
	1994	1995	1996	1997	1998	1994-98	in 1998	in 1998
U.S.	22,581	23,562	24,651	25,924	27,203	20	100	98
Alaska	25,253	25,798	26,057	26,990	27,835	10	102	100
Bethel District	16,329	16,474	16,446	17,013	17,524	7	64	63
Wade-Hampton	10,703	11,018	11,747	12,427	12,684	19	47	46

Table 18

Overall, all areas saw an increase in per capita income since 1994 to 1998, however, with the State and the Bethel District overall growing less than the U.S. The Bethel District growth was even lower than the State's at 7%. Wade-Hampton increase was near the national levels at 19%. Even with these improvements, the Bethel District per capita income was still 1.58 times less than the State's, and Wade-Hampton was 2.19 times less

than the State's in 1998. In fact, of the 27 census districts in the State of Alaska, the Bethel District and Wade-Hampton areas occupied the **two lowest** spots of the Alaska per capita income.

Poverty

Data is from U.S. Census Bureau, County Estimates for People of All Ages, 1997

Although there may be different applications of the term for poverty, the U.S. Census Bureau uses income benchmarks for each family size, which if it falls below a certain level that family or person would be considered living in poverty. Table – below tabulates poverty estimates for 1997.

Poverty 1997	Estimate	% of Pop.
U.S.	35,573,858	13.3
Alaska	65,409	11.2
Bethel Area	5,290	33.1
Wade-Hampton	2,762	39.4

Table 19

The table shows that poverty in Alaska, as a whole, was lower than the national percentage estimates, but both the Bethel and Wade-Hampton areas were three times and above the Alaska percentage figure. In fact, both the Bethel and Wade-Hampton areas occupied the **two highest** poverty rates of the Alaska census districts in 1997. This could still be the case in 2000, as the per capita income for the AVCP regions were still the lowest in the Alaska.

Cost of Living

Data is from "Alaska Food Cost Survey September 2000", UAF Cooperative Extension Service, University of Alaska Fairbanks/College of Rural Alaska.

Cost of living indices are not available for "Village Alaska", however, the Table below measures Bethel and Nome communities as representative for the respective regions in the AVCP region. Although Nome is not in the region, it is shown to give a relationship for cost measures elsewhere in Western Alaska.

	Bethel	Nome	Anchorage	Portland
Sales Tax (In percent)	5	4	0	0
Family of 2 (20-50 years)	\$95.93	\$92.85	\$59.52	\$48.20
Family of 2 (51 & older)	\$92.08	\$89.12	\$57.12	\$46.26
Family of 4, children 1-5 years	\$137.99	\$133.55	\$85.61	\$69.32
Family of 4, children 6-11 years	\$162.63	\$157.40	\$100.89	\$81.70
Children 1-2 years	\$24.14	\$23.36	\$14.98	\$12.13
Children 3-5 years	\$26.63	\$25.77	\$16.52	\$13.38
Children 6-8 years	\$35.34	\$34.20	\$21.92	\$17.75
Children 9-11 years	\$40.07	\$38.78	\$24.86	\$20.13

Females, 12-19 years	\$39.07	\$37.81	\$24.24	\$19.63
Females, 20-50 years	\$40.69	\$39.38	\$25.24	\$20.44
Females, 51 years and over	\$39.44	\$38.18	\$24.47	\$19.82
Males, 12-14 years	\$45.42	\$43.96	\$28.18	\$22.82
Males, 15-19 years	\$46.78	\$45.28	\$29.02	\$23.50
Males, 20-50 years	\$46.54	\$45.04	\$28.87	\$23.38
Males, 51 years & older	\$44.30	\$42.87	\$27.48	\$22.25
Electricity, 1000 kwh (bold=PCE)	\$220.80	\$158.76	\$96.73	\$60.98
Heating oil, 55 gal	\$105.60	\$122.65	\$82.22	\$102.30
Gas, 55 gal unleaded auto	\$156.15	\$123.20	\$88.13	\$94.55
Lumber, 2X4X8'	\$5.68	\$4.98	\$2.49	\$1.98
Propane, 100 lb refill	\$123.90	\$88.72	\$47.78	\$38.94

Table 20

Table 20 above shows the weekly food cost survey, including other cost indices of interest. The Continental USA is represented by Portland, Oregon, which is used as a base for comparison. In general, food costs for each of the family combinations is that Bethel is 199%, Nome is 193%, and Anchorage is 124% of Portland weekly food costs. Essentially, imported food is almost twice the cost of Continental USA in Western Alaska. However, total food costs would be somewhat offset by traditional food gathering practices (subsistence hunting and fishing) prevalent in Western Alaska. Still, these activities are tied to fuel and gasoline cost, availability of the subsistence resource, and time needed to pursue those endeavors.

The other cost category comparisons are tabulated below.

	Bethel	Nome	Anchorage	Portland
Electricity, 1000 kwh	362%	260%	159%	100%
Heating oil, 55 gal	103%	120%	80%	100%
Gas, 55 gal unleaded auto	165%	130%	93%	100%
Lumber, 2X4X8'	287%	252%	126%	100%
Propane, 100 lb refill	318%	228%	123%	100%

Table 21

In Table 21 above, selected cost indices are dramatically higher in Western Alaska than it is for Anchorage. Of interest though is the cost of heating fuel and gas, which shows was even lower in Anchorage than in Portland. It should be noted that Western Alaskan communities typically buy bulk fuel and gasoline in early spring, and prices may be fixed for the balance of the year. Deliveries through barge services are only in summer, and most communities receive only once per year shipments. The result is prices may be more immune from national price fluctuations for fuel oil and gasoline, which may or may not be beneficial to AVCP communities.

Housing

All data is from U.S. Census Bureau, 2000 and 1990 Census, unless specifically noted otherwise.

2000 Housing					
	Total Units	Occupied	Vacant	%Occupied	%Vacant
Alaska	260,978	221,600	39,378	84.9	15.1
Bethel Area	5,188	4,226	962	81.5	18.5
Wade-Hampton	2,063	1,602	461	77.7	22.3

Table 22

In Table 22 above, the percentage of vacancies in both areas in the AVCP region are higher than the Alaska average. However, the census also shows that units for “seasonal, recreational, or occasional use” are higher in both AVCP regions (9.4% and 13.4% compared to 8.2%).

Change	2000 Total Units	1990 Total units	Change in units	% Change
Alaska	260,978	232,608	28,370	112%
Bethel Area	5,188	4,362	826	119%
Wade-Hampton	2,063	1,882	181	110%

Table 23

Table 23 shows that the number of units grew faster in the Bethel Area than the State percentage-wise, but the Wade-Hampton area grew less. The community of Bethel (and to a lesser degree, Aniak) could skew the Bethel area numbers, where traditional mortgage lending institutions are available, in addition to government-subsidized housing programs.

AVCP Regional Housing Authority estimates that of the 39 communities they represent, there is a need for 3,200 units of both single-family and rental units. 94% of the families are considered low-income, and would not meet the requirements of traditional mortgages. Unrestricted building sites, which can be used as collateral, are also difficult to find in “Village, Alaska”. Banking institutions have not made a lot of home loans outside of the hub communities. Most new housing developments outside of Bethel have been mainly through the HUD Indian Housing Programs that targets low/moderate income families. However, the needs of single persons, low-low income, and those above the low/moderate income guidelines are not being met. *Source: Indian Housing Plan, FY2000 AVCP RHA Member Tribes.*

Water and Sewer Service

Source: Rural Alaska Housing Sanitation Inventory System, Capito Report for YKHC.

Complete Water Service		Complete Sewer Service	
# of Homes With	# of Homes Without	# of Homes With	# of Homes Without
482	1,544	407	1,619
23.8%	76.2%	20%	80%

Table 24

In the Yukon-Kuskokwim Health Corporation District (which includes the non-AVCP communities of Grayling, Anvik, Shageluk, and Holy Cross, but not Goodnews Bay and Platinum, which are AVCP communities), the table shows that 76.2% of the homes don’t have complete water service, and 80% don’t have complete sewer service. Although

there are on-going projects to provide sanitary water and sewer systems in several communities, the numbers show there is considerable room for improvement. The type of system varies with the types of soil in the community. Most AVCP villages are located in wet, silty soils, which are not conducive to typical sanitation system development. A fully piped community system is considered the ideal, but is the most costly to develop. The next preferable system is the “tank/haul” system (and its variants) where motorized vehicles are used to service individual water and sewer holding tanks. However, most communities without adequate soil conditions still use a single watering point system (“Washeteria” facility) that requires a person to individually hand haul water. A 5-gallon bucket serves as a toilet, and the sewer may be disposed of, also hand hauled, into pits or lagoons (many unapproved). This system is commonly called the “honey bucket” system and is the least desirable, and is now avoided to the extent possible, and will not be approved by Public Health Sanitation Officials.

Planning for a community water and sewer system requires a “holistic approach” as other community infrastructures are impacted. Adequate roads need to be developed or upgraded to service the lines and the units that connect to the sanitation system network; community systems add to the electrical demand, so the local generation plant and the electrical distribution systems may need to be upgraded; additional bulk fuel storage tanks will be needed as increased demand means increased fuel usage. Besides the additional demands to the local systems, properly trained personnel are needed to maintain and upkeep the system, and a functional management and finance system put in place to ensure long-term viability.

Education

Source: State of Alaska, Department of Education, Office of Data Management.

Enrollments - AVCP Region	Kindergarden Through 12 th grade				
	Public Schools	FY1998	FY1999	FY2000	FY2001
Kashunamiut Schools		265	286	300	313
Kuspuk School Dist.		476	477	496	474
Lower Kuskokwim School Dist.		3,467	3,570	3,685	3,678
Lower Yukon School Dist.		1,831	1,863	1,946	1,898
St. Mary's Dist.		128	134	129	130
Yupit Schools		401	406	402	404
TOTALS		6,568	6,736	6,958	6,897

Table 25

Table 25 above shows public school enrollment in the AVCP region (Lime Village School is not included as the Iditarod member schools are mainly outside of the AVCP Region) since FY1998 school year ranged from 6,568 to 6,958 students from kindergarden through the 12th grade.

	FY1998	FY1998	FY1998	FY1999	FY1999	FY1999	FY2000	FY2000	FY2000
	12th			12th			12th		
	Grade	HS	% Ratio	Grade	HS	% Ratio	Grade	HS	% Ratio
Graduation Rates	Enrol.	Grads	Enr/Grad	Enrol.	Grads	Enr/Grad	Enrol.	Grads	Enr/Grad
Kashunamiut Schools	14	12	86%	13	13	100%	15	10	67%
Kuspuk Schools	23	19	83%	34	28	82%	28	25	89%
Lower Kuskokwim Schools	162	128	79%	159	114	72%	150	122	81%
Lower Yukon Schools	56	51	91%	68	57	84%	73	56	77%
St. Mary's Dist.	8	6	75%	6	5	83%	8	6	75%
Yupit Schools	21	14	67%	30	22	73%	24	13	54%
TOTALS	284	230	81%	310	239	77%	298	232	78%
Statewide Totals	7,771	6,487	83%	8,404	6,860	82%	8,381	6,668	80%

Table 26

Table 26 shows 12th graduation has ranged from 230 to 310 graduates each year since FY1998 in the AVCP Region. The 12th grade enrollment to 12th grade graduation rates has ranged from 77% to 81%, which are slightly lower than the statewide ranges of 80% to 83% for the same time period. However, both the State's and the AVCP's graduation rates have dropped slightly since 1998.

Summary

Western Alaska is characterized by the lowest per capita income and the highest unemployment rate in the state. Obstacles to local economic development are complex and interdependent. Unemployment and underemployment are chronic problems for each one of the 56 villages. Job opportunities are rare and often restricted to seasonal labor. The poverty rate averages almost 40% in the Wade-Hampton area, but it approaches 100% in some villages. The region is 85% Alaskan Native.

The two hub communities of Bethel and Aniak in the Bethel Census District represent over 50% of the available jobs while representing 38% of the population, pointing to a disparity of available jobs in "Village, Alaska". Traditional banking lending institutions are active in the community of Bethel, but for all practical purposes, home mortgage lending is non-existent in "Village, Alaska" for a variety of reasons including income and availability of unrestricted building sites. 94% of families live in substandard housing, with 78% in overcrowded conditions, and currently there is an immediate need for 3,200 units in the 39 communities that AVCP RHA represents (17 other tribal entities opted to run their own housing authorities, or chose another entity).

The continuing commercial salmon fishery disaster has added to the economic misery of those dependent on it, and clearly points to the need for diversification of the regional economy. The collapse of the fishery has also further resulted in restricted takes placed on subsistence salmon for the first time ever in 2001, which also impacts fishery-based tourism.

Transfer payments (which include the Alaska Permanent Fund) contributed 31% and 47% of the total income in the Bethel and Wade-Hampton areas respectively, contributing approximately \$127 million to the areas economy in 1999. Total government monthly employment averages 40.1% and 60.7% in the Bethel and Wade-Hampton census districts, which are both much higher than the State's averages.

Lack of a tax and bonding base in the region requires that communities look to the government for much of the needed infrastructure financing, such as water and sewer projects, roads, and electrical distribution. Lack of basic infrastructure impacts further development and attraction of businesses and industries in the region.

Each year, about 300 AVCP Region high school graduates enter the work force, but are faced with almost non-existent job opportunities in the village. Private business has a much smaller presence in "Village, Alaska", and most well paying, year-round jobs are government related.

III. HISTORICAL ASSESSMENT OF PAST DEVELOPMENT EFFORTS

AVCP Economic Development Plans

The last AVCP Overall Economic Development Program (OEDP) 1994-1999 was adopted December 13, 1993, and last updated in 1996. This plan identified several economic development goals summarized below, and their status.

1. Design and implement a strategy for rural sanitation development in the Yukon-Kuskokwim Delta Region.

Status: The Governor's Rural Alaska Sanitation Coalition (RASC) was formed in 1993 to address this rural Alaska-wide issue. In addition, the Denali Commission has identified this as a major issue facing rural Alaska, and has estimated the total needs at about \$1 billion, and that approximately \$60-70 million per year is allocated from various agencies. At the existing funding availability, it will take several years addressing just this issue. In the AVCP region, the 2 prominent lead agencies for water/sewer and solid waste programs are the Village Safe Water (VSW) and the Indian Health Service Office of Environmental Health. Office of environmental Health has local representation through the YKHC Office in Bethel. While AVCP is not directly involved in this goal, it fully supports the efforts in this area, as benefits of sanitary systems foster economic development, such as sanitary processing facilities and tourist lodges.

2. Provide opportunities for village communities to train young people in the design, construction and renovation of homes, to increase the number of available homes for low-income people, and for the homeless.

Status: Changes in the Indian Housing Programs of the U.S. Department of Housing and Urban Development (the only low to moderate income housing program in the AVCP region) has made it easier for local control of Indian Housing Programs by local Tribes. Majority of the tribes have designated AVCP Regional Housing Authority as their "Tribally-Designated Housing Entity", which is committed to provide as much job opportunities to the local workers in the development or rehabilitation of housing units. There is more emphasis on the "force account" method of construction as opposed to construction contracting. In spring of 2001, Alaskaworks, AVCP RHA, and AVCP, Inc. partnered to offer construction training to 30 trainees in preparation of housing construction in 7 communities. These trainees in turn will be hired by AVCP RHA to construct the housing units in their home villages. This program is a model for future programs for construction training and employment. The goal is to build capacity in the construction industry, and for the local employment in construction work as much as possible.

3. Maximize existing fisheries development opportunities.

Status: The Coastal Development Quota (CDQ) fishery program have established the Coastal Villages Region Fund (CVRF) and the Yukon Delta Fisheries Development Association in the AVCP region. These associations were formed to so that their participating communities would benefit from fisheries related economic development. These include, among others, improvements in coastal fisheries processing facilities and marketing, expansion of the fisheries to help in diversification besides the salmon fishery that has collapsed in the region, and development of fisheries-related tourism. Also, three Alaska Rural Development Organizations (ARDORS) have formed in the AVCP Region, which in their goals and summaries have components that relate to fisheries development. The collapse of the salmon industry in the Yukon-Kuskokwim region have underscored the need to diversify economically, which means salmon fisheries-related economic development in the Yukon-Kuskokwim river communities may be de-emphasized now and into the foreseeable future. Diversification plans must be developed, and new economic opportunities identified.

4. Establish a regional arts and crafts marketing program.

Status: One entity in Toksook Bay has proven the viability of using the Internet to market and sell arts and crafts. However, there still are barriers to the wide acceptance to the medium (see #8 below). The Museum located in the Cultural Center in Bethel offers sale of quality arts and crafts from the region, in addition to several retail stores. However, this area has room for lots of improvement through education and training, and fostering entrepreneurship.

5. Establish a sustainable tourism program for existing and new tourism opportunities.

Status: All of the ARDORS and CDQ groups have some components for tourism. However, tourism opportunities, such as guided hunting and fishing, has not generally been favored in the outlying villages in the region especially that it is seen as competition of the subsistence resource. While this area is continually seen as a great economic opportunity, sustainability and continued interest depend on other factors, such as village acceptance, and availability of safe and sanitary lodging and eating facilities, which in turn are dependent on existing sanitation infrastructure. Also, impacts to environment as a consequence of this activity must be known. Other tourism opportunities not involving hunting and fishing, such as bird watching, have been identified, but those activities have not come to fruition.

6. Maximize mink festival development to improve marketing and production of value-added furs, and participation by young people of the region.

Status: The Lower Kuskokwim Economic Development Council, an ARDORS group, has this component in their summaries. While there are economic potentials from abundant, locally obtained furs, this industry receives much bad press nationally, and in Western Europe, which has severely stunted the demand. Viability of the industry to serve local demand remains to be seen, but existing subsistence hunting and fishing activities already fill much of this demand.

7. Maximize and expand retail and service industry opportunities for local people.

Status: The 1998 Department of Labor Summary Report shows that services outside of the general retail and food stores are basically non-existent in the non-hub communities. This continues to be the case. Again, development of safe and sanitary lodging and eating places are dependent on local infrastructure. Small service business that may succeed in small villages, such as small engine repair and welding services, require that the local population is willing to pay for such services. Entrepreneurs need tools to help them, but there have not been sustained programs in this area. The concept of a service industry in villages may be a tough sell in the villages where people typically have depended on themselves and family relations in place of services for cash.

Calista Corporation, through their WAVE subsidiary, has offered workshops in Business Plans tailored to the retail industry. However, I'm aware of only one workshop held this past year in Bethel.

The local college in Bethel continues to offer programs for small businesses, but interested individuals from outlying communities have to commit to come to Bethel for a period of time. Entrepreneurship support and mentoring programs are non-existent in the AVCP region.

8. Research, Planning, and Technical Assistance Efforts.

Status: Removal of barriers to affordable and reliable Internet connections for businesses and individuals are slow in coming to rural Alaska. This technology has a huge potential, and fast connections with current technologies have already been proven. The technology now exists for cable TV, telephone, and Internet connections. However, affordability, speed and reliability for Internet connections are still an issue for businesses, municipal and Tribal governments, and individuals. The current structure provides bandwidth and subsidies to education and health entities. Unless these are brought to the masses, the promise of this technology remains just out of reach for most in this region.

IV. GOALS AND OBJECTIVES FOR REGIONAL ECONOMIC DEVELOPMENT

Goal #1		Build capacity within AVCP, Inc. to pursue, obtain, and sustain funding for programs consistent with AVCP's Mission Statement.
	Objective #1	Establish AVCP Grants Development Center

In the 2001 AVCP Annual Convention, authorization to establish an AVCP Grants Development Center was approved, recognizing that AVCP must be proactive in addressing the issues confronting the region. Establishment of this center is a springboard for future activities, including economic development, which will benefit the Corporation, member villages, and the region as a whole. Funding for 1st year implementation is being identified, budgeted at \$200,000.00, and employ 3 people. Among the strategies in the first year is to address sustainability of the program.

Goal #2		Build local and regional human resource capacity to benefit economic development through education and training.
	Objective #1	Support continuing development of the Yuut Elitnaurviit, the "People's Learning Center", located in Bethel, Alaska.
	Objective #2	Support purchase and renovation of St. Mary's Mission property by the Ciunerkiuvik Corporation for conversion into education and training facilities located in St. Mary's.

The AVCP region does not have an established vocational education and jobs training under a coordinated program. These programs would bring training to the local level bringing accessibility to the surrounding communities of Bethel and St. Mary's. In addition, support and relevancy are important components in bringing training programs to the AVCP region. Unless the region develops a qualified workforce locally, available work and wages will continue to benefit those from outside of the region. Bringing the workforce home benefit local economies, and is a key element in the diversification of the local economies hit hard by the failure of the salmon fisheries.

The main purpose of Yuut Elitnnaurviit, People's Training Center, will be to place more local people to more local high wage jobs. Their statistics show that Alaska Natives fill only 15% of the highest paying jobs in the AVCP Region, while the 85% lowest paying jobs are held by Alaska Natives, in a region that is 85% Alaska Native. Phase One, in effect, has already been laid with the establishment of Bethel Alternative Boarding School (BABS), which targets at-risk students of ages 14-20 by offering academic classes and on-the-job-training programs, which result in a high school diploma or GED. Phase Two expands the program to adults, with partnerships with education and training programs offered by Bethel Native Corporation, Kuskokwim Campus-UAF, YKHC, Orutsarmiut, and AVCP. Phase Three will be the full phase with comprehensive job training programs and facilities to provide the training and board with a capacity of 200-250 youth and adults. The result will be a jobs program that includes grades 13 and 14

preparing potential workers with relevant skills beyond the basics. The Center's Consortium has obtained the backing of the Alaska Human Resource Investment Council.

The budget of the Phase 1 Construction of the Yuut Elitnauviit facilities identifies \$8,968,507.00 from grant requests, \$3,880,557.00 from other funds, for a total budget of \$12,849,064.00. To date, allocations have been received from BIA in the amount of \$1,000,000.00, and USDA Rural Development in the amount of \$3,000,000.00. The balances of the funds needed are currently under request. A site to place the facilities has been identified, and preliminary site design and program has been approved.

The Ciunerkiuvik Corporation is going through the process of purchasing the St. Mary's Mission, which include will be funding for renovation and improvement of the facilities. St. Mary's ideally located to serve the Middle and Lower Yukon areas. EDA has identified \$1.4 million as being available for this project. To date, USDA has reserved \$1.356 million, and Division of Investments in \$1 million 2% loan fund. Additional estimated \$500,000 to \$1 million is needed to complete funding need.

Goal #3		Continue towards formal accreditation of AVCP Tribal College.
	Objective #1	Complete expansion and renovation of facilities for the AVCP Aviation Training Program, and expansion of existing and diversification within ongoing, regionally based aviation training programs
	Objective #2	Continue the Construction Trades Development Program.
	Objective #3	Establish in 11 selected villages, public access libraries with computer network and internet access.
	Objective #4	Implement Information Technology training programs through collaborative efforts with existing I.T. programs offered by statewide Tribal College system.
	Objective #5	Implement Tribal Administration training program through collaborative agreements with The Tanana Chiefs Conference and University of Alaska.
	Objective #6	Establish "Tribal Justice Center" within AVCP Tribal College to support the growth & development of tribal court system.
	Objective #7	Establish a "Center for Business and Entrepreneurship" within the AVCP Tribal College.

The official accreditation and successful operation of AVCP's Tribal College would result in a fairly certain, major paradigm shift with regards to the regions economic development efforts. The AVCP Tribal College Development plan along with the statewide incorporation of the Consortium for Alaskan Native Higher Education was put in place in 1998 and numerous, collaborative education and training projects have resulted with both state and tribal entities. Based on the large population mass and the sustainable economic foundation to support education and training of tribally enrolled members, within the AVCP region, a tribally controlled college is a valuable and

necessary institution. An important component in tribal college accreditation is capability and capacity to offer culturally relevant, regionally based, industry specific training and education programs. Within the AVCP region, the existing Tribal College sponsored Aviation, Construction Trades, Tribal Court and Library Development Programs provide ongoing indicators and examples of the appropriate feasibility and documentable sustainable indices.

Additional program expansion into Information Technology and Tribal Administration training is our next phase of Tribal College development. The creation of village libraries, which also serve as computer access points for village residents, is well underway and through this exciting project employment opportunities have been developed and funded with a unique, diversified, financial resources.

At the 2001 AVCP Annual Convention held in Aniak, the full board approved the concept of a Tribal Regional Court System within AVCP, and authorized the AVCP Staff to explore ways to systematize the creation of Tribal Courts in the AVCP communities, which several are now in development. A Tribal Justice Center within the AVCP Tribal College is a natural fit to form a core of personnel, resources, curricula, and facilities to oversee the development of Tribal jurisprudence in the AVCP Region.

Similarly, a Center for Business and Entrepreneurship within AVCP Tribal College must be considered. This is critical as statistics show only 30% of income is from private ownership in the AVCP region. Generally, resources for small business development are available; however, small, isolated community settings are not conducive to bringing the resources closer to home, and systematic business, financial, and educational support are located only in the community of Bethel. Bringing these resources into a single clearinghouse model is locally needed, recognizing that cultural relevance, village-specific economic opportunities, and on-going support is important. The Center will be a springboard to on-going programs specific to AVCP region economy, including studies, data gathering and analysis, support, and mentorship.

Goal #4		Diversify local economies.
	Objective #1	Identify potential renewable and non-renewable natural resource economic development outside of salmon fisheries.
	Objective #2	Expand and market Coastal Development Quota fishery development.
	Objective #3	Expand market and sale of local Arts and Crafts.
	Objective #4	Encourage and foster the development of village-based small businesses and community-based entrepreneurship opportunities.

The continuing collapse of the salmon fisheries in the Yukon and Kuskokwim Rivers have taken a severe toll on those dependent on that industry in the AVCP Region. In 1995, this fishery had a valuation of \$12.6 million of fish taken, to about \$2 million in 2000, to about \$400,000 in 2001. The total loss is greater as this does not include income derived from processing and marketing. The economic void left by the salmon fishery

collapse needs to be filled with other economic strategies wherever possible. Some 1400 salmon harvest permits holders are affected, plus those that are typically employed by the fish processors.

Objective #1 in this goal is purposely not specific, as natural resources to replace salmon fisheries remain generally undeveloped. Calista Corporation continues to develop the Donlon Mining venture, as stated in their economic strategy plan.

In the Lower Yukon region, St. Mary's identifies gravel-crushing operation of a limited capacity, which the City of St. Mary's operates. The Kotlik community also identifies gravel extraction opportunities relatively close to their community. City of Emmonak is working on a strategy to develop access to sand, along with road improvements in their community. The City also is working on a business plan to acquire heavy equipment, which the intent is to offer to contractors in bidding for work in the area, estimated total worth of about \$70 million in the next few years. Availability of local sand and gravel for construction is dependent on continuing capital projects in the region. Considering that there is so much need in basic infrastructure and improvements in the region, there will be continuing need for this resource. These remain in the planning stages, and near-term benefits currently remain out of reach. Even so, these have community backing, and AVCP supports their efforts.

In the Kuskokwim River region, gravel opportunities exist in Upper Kalskag, and a river-run gravel source has been available from the area for a number of years. These sources are suitable for small to medium projects with adequate lead times. Other potential sources are from the Platinum and Mekoryuk areas. These need further planning and development to become available as alternatives.

Other than gravel extraction potentials, identification of other non-renewable resources remains elusive. Uses of renewable resources from the land are tied closely to the subsistence way of life prevalent in the region. Cloudberries (salmonberries), blueberries, blackberries and low-bush cranberries are harvested annually for personal consumption. Unprocessed cloudberries and blackberries are sold locally in Bethel during September, but numbers are unknown. A small cottage industry based on these remains to be studied and if an adequate market exists. The same is true of other useful plants such as Labrador tea, and "stinkweed", which is used in traditional medicine. The Yukon-Kuskokwim area is environmentally sensitive, and damage takes a long time to recover, if ever. Any activity in use of land resources must take precautions to protect the land.

Objective #2 recognizes the efforts of the CDQ groups to continue to develop and market coastal fisheries. The local halibut fishery continues to evolve, steadily bringing in cash where the salmon fishery has failed. The coastal villages also participate in the herring fishery early in the season, and this fishery helps in preparation for the CDQ fishery that follows. While these fisheries are not near the salmon fishery in valuation, they do bring in much needed cash, bringing in approximately \$700,000.00 in 2000 in the Coastal

Villages Region Fund area alone. The CDQ groups continue to offer services to develop local businesses that are fisheries related.

Objective #3 recognizes continued efforts to expand the market for local Arts and Crafts. Use of Internet technology to improve markets has a huge potential. One of its potentials is that marketing can be done from the communities themselves into a worldwide audience, without having to leave home. However, user technological capabilities and capacities must be developed, and quality of the products maintained for continued salability of the products.

Objective #4 encourages the development of village-based small businesses and community-based entrepreneurship opportunities. Statistics show only about 30% of income is derived from private ownership in the AVCP Region. The most common village private businesses are general and food stores; other services such as eating and lodging places, and repair shops are virtually non-existent outside of the AVCP hub communities. Sustainable, village-based, small businesses must be encouraged; however, mechanisms to jump-start the processes are needed. One of the mandates for the proposed AVCP Tribal College Center for Business and Entrepreneurship, once operational, will be to form a backbone to help village-based businesses get started, assist in identifying markets and opportunities, business plans, financing, insurance, and support to assure small businesses continue to thrive.

Tourism industry is under utilized. This industry must have acceptance of the local community especially where the resources conflict with the area's prevalent subsistence way of life. Another barrier to this industry is the availability of community infrastructure that supports safe and sanitary lodging and eating facilities. AVCP supports continuing infrastructure efforts under Goal #6.

Recognizing that up to 70% of income is government related, services that could be done by local businesses should be explored, for example, village teacher housing maintenance and operations, school maintenance and repair contracts, DOT heavy equipment maintenance and repair. However, again, these assume there is a qualified local workforce, which is the intent of Goal #2.

Goal #5		Reduce cost of energy.
	Objective #1	Explore feasibility and markets for regional fuel and gasoline distribution points within the AVCP Region.
	Objective #2	Explore feasibility and market for piped natural gas within the AVCP Region.
	Objective #3	Explore feasibility and market for alternative energy sources within the AVCP Region.
	Objective #4	Develop a region-wide Energy Plan.

A great irony for this region is that although Alaska is an energy-exporting State, this region continues to pay the highest energy costs for heating and gasoline in the USA. Almost all heating and electrical generation is done with costly fuel oils. The cost of

propane is almost four times the cost of Continental USA, so much of its touted cost savings from its use is over-stated in this region. Cost of energy is probably the single most important factor that affects all other economic cost factors.

Unbiased studies of the regions fuel and gasoline distribution system must be done, which the aim would be to form strategies to increase overall efficiencies, and overall cost savings.

In addition, strategies of bringing cost-effective alternative fuels to the region, such as natural gas, must be studied.

The AVCP Region, especially the coastal areas, has a never-ending supply of renewable energy in wind power. Small non-commercial installations have been tried with various degrees of success in the past, and have not gained wide acceptance in the region. However, the current state of technologies developed for commercial electrical generation from wind power over the past ten years warrant a new look.

Objective #4 promotes a region-wide energy plan for the AVCP/Calista region. This plan development will be in support of the Calista Corporation's efforts to address the energy needs of the region, including planning for development of subsurface properties owned by Calista Corporation.

Goal #6		Support improvement of community infrastructure in the AVCP Region.
	Objective #1	Continue efforts of various agencies and communities in water, sewer, and solid waste disposal improvements throughout the AVCP Region.
	Objective #2	Continue efforts of various agencies and communities in road improvements.
	Objective #3	Continue improvement of electrical generation and distribution systems.
	Objective #4	Continue improvement of airports and facilities within the AVCP Region.
	Objective #5	Support dock and port facility developments that benefit regional economic opportunity and reduction of overall transportation costs.
	Objective #6	Support upgrade and improvement of communications technology, including affordable, reliable, and fast Internet connections.
	Objective #7	Develop a regional transportation plan.

Objectives #1 through #4 are on going, and will take several years bringing basic services to acceptable levels. This is a prevalent Rural-Alaska, Statewide issue. Denali Commission estimated \$1 Billion was needed to address water and sewer issues alone, and at current funding levels, it would take over 20 years addressing this issue. The issue is complex, as maintenance, repair and replacement must also occur, all the while putting

in new systems. These infrastructures all have an operation and maintenance requirement to them, meaning a qualified workforce must be available. Economic opportunities result from development of these infrastructures.

The basic infrastructure of water and sewer, roads, electrical distribution and reliable transportation centers are all integral to the overall success of economic endeavors. Health and safety is an important component in bringing and sustaining businesses. For example, it is difficult to sustain a quality tourism industry without safe and sanitary facilities, or value-added fish products are difficult without availability of adequate potable water.

The port facility in the community of Bethel is the only medium depth port facility in the AVCP region, where its availability is typically from May to September. Major fuel distribution point is also located there. Other locations should be considered where overall impacts would be in reduction of transportation costs, which in turn would reduce cost of energy. City of Mekoryuk has started planning to develop a port facility in the island, first as a fuel distribution facility. Studies are currently underway, and AVCP will support the development of the port where there are benefits to the region. The City of Emmonak also has an interest to service their area. Future needs must be considered, as population statistics show this region has a high birth rate, and is a young population. Existing port and distribution facilities may not be adequate in the near future.

Knowledge is power. Communication technology has brought State, National, and World state of affairs instantly to the most remote village in the AVCP region. While satellite television has brought the world to the village, access to affordable, reliable, and fast Internet connections is not as prevalent to businesses and individuals as opposed to schools and health entities. Affordable, reliable, and fast Internet service is needed to develop economic opportunities from its use. Local tech savvy people are needed, in addition to web developers to help those offering products, such as arts and crafts, through the medium.

Objective #7 promotes an AVCP/Calista transportation plan that will include tribal governments. The Department of Transportation currently has the Yukon-Kuskokwim Regional Transportation Plan in public review phase. AVCP/Calista want to assure the tribal interests are represented in the plan.

Goal #7		Support programs to protect the environment.
	Objective #1	Continue tank farm upgrades and remediation efforts.
	Objective #2	Develop and support recycling projects in the AVCP communities.

Objective #1 supports the on-going efforts of several communities to upgrade tank farms. These efforts benefit the environment, and reduce much costlier remediation efforts in the future. Also, consolidation of bulk oil services enhances efficiencies locally in addition to safety, and these are a benefit to individuals and businesses.

Objective #2 supports recycling awareness projects, with the help of 11 AVCP Vista volunteers. These projects have the potential of economic development in the local villages. In Bethel, there is an active aluminum-recycling project that has been on going for several years. Funding to recycle cardboard and waste paper into logs is currently being pursued, which the intent is to sell to merchandisers for sale to the public. Commercially produced logs (e.g., Duraflame) have sold well in communities that don't have locally available wood. This recycling project will reduce landfill space, and also benefit economically with proper marketing. The success of this project can show to the AVCP communities that there can be economic benefits from recycling programs.

V. PROGRAM AND PROJECT SELECTION

The goals and objectives were derived from the examination of the regional status of the AVCP Region, existing economic planning and funding summits, listed below, and from meetings regarding economic strategy, including meetings held for the submission of the 2001 Economic Zone Designation (EZ) application to USDA. The challenge of this regional CEDS is the basic community needs of the region are so great that it is often difficult to begin to address issues beyond basic community needs. As such, the goals and objectives of this CEDS are given more to processes than specific projects, and the overall goal is to make it easier for AVCP communities to pursue their economic goals. It is well understood there are no quick fixes to the issues, that the achievement towards the goals must be on going, and that they are inter-dependent.

This CEDS is not attempt to neither recreate nor redefine the other economic plans already in existence. It recognizes the plans as a part of the overall regional economic plan, adding only those elements not addressed in the existing plans, or which are specific to AVCP as a corporation. The challenge is bringing all the disparate economic plans into a cogent and workable AVCP regional plan.

The goals and objectives of the AVCP Comprehensive Economic Developments Strategies are defined in Section VI following this section.

The summaries of these plans (with the exception of EZ application) are listed in Appendix B.

- Calista 2001 Strategic Plan. Calista is the ANCSA For-Profit Organization for the AVCP Region, and serve the same area as AVCP, Inc.
- 3 Alaska Rural Development Organizations (ARDORS), which as a whole cover the AVCP region: Lower Kuskokwim Economic Development Council (LKEDC), Interior Rivers Resource Conservation and Development Area (IRRCDA) which also include the villages of Anvik, Grayling, Shageluk, and Holy Cross, which are not within the AVCP jurisdictional region, and Lower Yukon Economic Development Council (LYEDC).
- 2 CDQ Program groups, as they are mandated to bring fisheries related economic benefits in several AVCP villages: Coastal Villages Region Fund (CVRF), and the Yukon Delta Fisheries Development Association (YDFDA), which also includes the non-AVCP village of Grayling.
- Economic Development Plans from communities with known established plans: City of St. Mary's, Community of Kotlik, Kipnuk Traditional Council, Platinum Traditional Council, Kwigillingok IRA Council, and Nightmute Traditional Council.
- Funding summits held in Bethel on November 2-3, 2000, and in St. Mary's on April 25-26, 2001.
- Economic Zone (EZ) Application to USDA, October 2001, submitted by YKHC.

The following tabulates the relevancy of the AVCP CEDS Goals and Objectives in other existing economic plans in the region.

		Calista	LKEDC	IRRCDA	LYEDC	CVRF	YDFDA
Goal #1							
	Object. #1						
Goal #2			X	X	X	X	X
	Object. #1		X	X			
	Object. #2						
Goal #3							
	Object. #1						
	Object. #2			X			
	Object. #3						
	Object. #4						
	Object. #5						
	Object. #6						
	Object. #7						
Goal #4		X	X			X	
	Object. #1	X					
	Object. #2		X			X	X
	Object. #3						
	Object. #4	X	X	X	X		X
Goal #5							
	Object. #1						
	Object. #2						
	Object. #3						
	Object. #4	X					
Goal #6							
	Object. #1		X	X			
	Object. #2		X	X			
	Object. #3			X			
	Object. #4		X	X			
	Object. #5					X	
	Object. #6			X			
	Object. #7	X					
Goal #7							
	Object. #1						
	Object. #2						

		St. Mary's	Kotlik	Kipnuk	Platinum	Kwiggilingok	Nightmute
Goal #1							
	Object. #1						
Goal #2		X	X			X	
	Object. #1						
	Object. #2	X					
Goal #3							
	Object. #1			X			
	Object. #2						
	Object. #3	X					
	Object. #4						
	Object. #5						
	Object. #6						

	Object. #7				X		
Goal #4		X			X		X
	Object. #1	X			X		
	Object. #2		X	X			
	Object. #3		X	X	X	X	
	Object. #4				X	X	X
Goal #5							
	Object. #1						
	Object. #2						
	Object. #3						
Goal #6			X	X	X	X	X
	Object. #1			X	X	X	X
	Object. #2		X	X		X	X
	Object. #3			X			X
	Object. #4	X					
	Object. #5	X	X				
	Object. #6					X	X
Goal #7		X				X	
	Object. #1		X				
	Object. #2						

		Bethel Funding Summit	St. Mary's Funding Summit	Economic Zone 2001 Application			
Goal #1							
	Object. #1						
Goal #2		X		X			
	Object. #1		X	X			
	Object. #2						
Goal #3				X			
	Object. #1			X			
	Object. #2			X			
	Object. #3						
	Object. #4			X			
	Object. #5			X			
	Object. #6						
	Object. #7			X			
Goal #4			X	X			
	Object. #1		X	X			
	Object. #2	X	X	X			
	Object. #3			X			
	Object. #4			X			
Goal #5							
	Object. #1		X				
	Object. #2						
	Object. #3						
Goal #6		X	X	X			
	Object. #1	X	X	X			
	Object. #2	X	X	X			
	Object. #3	X		X			
	Object. #4	X		X			
	Object. #5	X		X			
	Object. #6		X	X			
Goal #7				X			
	Object. #1		X	X			
	Object. #2						

VI. SUMMARY OF AVCP PROGRAM AND PLAN FOR IMPLEMENTATION

Goal #1		Build capacity within AVCP, Inc. to pursue, obtain, and sustain funding for programs consistent with AVCP's Mission Statement.
	Objective #1	Establish AVCP Grants Development Center
	Organization:	AVCP, Inc.
	Status:	Implementation started 10/2001. First staff hires 11/2001. Will be an on-going program.
Goal #2		Build local and regional human resource capacity to benefit economic development through education and training.
	Objective #1	Support continuing development of the Yuut Elitnaurviit, the "People's Learning Center", located in Bethel, Alaska.
	Organization:	Yuut Elitnaurviat Consortium
	Status:	Alaska Regional Training Center Proposal submitted to Alaska Human Resource Investment Council on July 2001. Funding needs, timelines, programs are contained within the proposal.
	Objective #2	Support purchase and renovation of St. Mary's Mission property by the Ciunerkiuvik Corp. for conversion into education and training facilities located in St. Mary's.
	Organization:	Ciunerkiuvik Corporation, a new nonprofit formed to develop and operate the Center.
	Status:	Initial funding identified and reserved.
Goal #3		Continue Tribal College Development process seeking formal accreditation of AVCP Tribal College.
	Objective #1	Complete expansion and renovation of facilities for the AVCP Aviation Training Program, and expansion of existing and diversification within ongoing, regionally based aviation training programs.
	Organization:	AVCP, Inc. Tribal College Development Office
	Status:	<p>Flight training facility at Bethel airport has undergone minor repairs and renovations and now serves as classroom, administrative office and FAA Computer Test Center. 3 training planes are housed in hangar facility. Recruitment efforts have expanded and new students are constantly entering program. Additional student training fund sources have grown considerably with the addition of Calista Scholarships, sub regional native non profit corporations, school districts and community based organizations (Lion's Club, Women's Club)</p> <p>Airplane Mechanics training program is commencing.</p> <p>Secured \$1,000,000. Nov. 2001 appropriation, through Dept. of Interior, to AVCP, Inc. for construction of Aviation Training Facility at Bethel Airport summer 2002.</p> <p>Additional Department of Commerce, EDA, 1999 Fisheries Disaster grant funds will be requested based on ongoing AVCP, Inc. Aviation Program</p>

		successes. Programmatic Issues related to AVCP's Aviation program such as feasibility and sustainability have been addressed throughout the four years of operation.
	Objective #2 Organization: Status:	Continue the Construction Trades Development Program. AVCP, Inc. Tribal College Development Office AVCP, Inc. formed partnerships with Alaska Works Partnership (AWP), Denali Commission, Lower Kuskokwim School District, and AVCP Housing Authority and implemented a regional construction trades training program during summer of 2001. 31 residential units were constructed in 7 villages. 30 individuals, recruited from throughout the AVCP region were trained in an intensive, union sponsored, and Building Maintenance Repairer 4000 hour- journeymen program. Tribal sponsored, construction trades training, utilizing Youth Opportunity Grant funds in selected villages targeting high school "drop outs" is currently in the planning stages.
	Objective #3 Organization: Status:	Establish in 11 selected villages, public access libraries with computer network and internet access. AVCP, Inc. Tribal College Development Office Utilizing an Institute of Museum and Libraries Sciences (IMLS) grant and in partnership with HUD, City of Bethel, Orutsaramuit Native Council and Tribal College Development Office AVCP, Inc. opened a public access computer lab consisting of ten, internet connected computers in Bethel. A library planner position was created which implemented a region wide, system of village libraries, which replicate the AVCP Bethel Computer Center. Vista volunteer positions oversee the village libraries along with local Tribal Councils.
	Objective #4 Organization: Status:	Implement Information Technology training programs through collaborative efforts with existing I.T. programs offered by statewide Tribal College system. AVCP, Inc. Tribal College Development Office Tribal College Development Office developed and offered computer training to Tribal Administrators fall of 2000. Partnership with Iligsavik College formed to offer distance delivered, Information Technology courses through AVCP, Inc. Tribal College Computer Lab.
	Objective #5 Organization: Status:	Implement Tribal Administration training program through collaborative agreements with The Tanana Chiefs Conference and University of Alaska. AVCP, Inc. Tribal College Development Office Negotiations underway with Kuskokwim Campus of Alaska University system to recruit and deliver Tribal Administration Associates degree and certificates to AVCP, Inc. Tribal Administrators. Initial course offerings spring of 2002.
	Objective #6 Organization: Status:	Establish "Tribal Justice Center" within AVCP Tribal College to support the growth & development of tribal court system. AVCP, Inc. Tribal College Development Resolution supporting creation of Tribal Justice Center passed by AVCP

		<p>Convention Delegates Oct. 2001. Survey of villages within region operating tribal courts to determine the operational status/sophistication of existing village court system undertaken. Application for ANA grants prepared and submitted to support the development of a Tribal College "Tribal Justice Center". AVCP, Inc. Corporate lawyers involved in developing training modules. Tanana Chiefs Conference Tribal Court Specialists offered tribal court training to 60 individuals from 22 villages within AVCP region May of 2000.</p> <p>Appellate Court system planning commenced fall 2001</p>
	<p>Objective #7</p> <p>Organization:</p> <p>Status:</p>	<p>Establish a "Center for Business and Entrepreneurship" within the AVCP Tribal College.</p> <p>AVCP, Inc. Tribal College Development Office</p> <p>Initial planning for the consolidation of AVCP, Inc. programs and support services geared to provide technical assistance and resources to aspiring entrepreneurs. Preparation of grants to support the operations of such a Center will be pursued. Creation of advisory committee consisting of private sector businessmen and women, in addition to exploring advantages to forming a relationship with University of Alaska Small Business Development Center will be considered.</p>
Goal #4		Diversify local economies.
	<p>Objective #1</p> <p>Organization:</p> <p>Status:</p>	<p>Identify potential renewable and non-renewable natural resource economic development outside of salmon fisheries.</p> <p>Communities, Calista, ARDORS, CDQs, AVCP, Inc.</p> <p>Each of the economic plans has some components addressing this issue. Concerted effort to identify real opportunities must be identified. AVCP will explore funding for communities to complete Economic Strategy Plans that include this objective. This objective will be continuing. Goal will be 50% of AVCP communities will have economic plans completed in 5 years.</p>
	<p>Objective #2</p> <p>Organization:</p> <p>Status:</p>	<p>Expand and market Coastal Development Quota fishery development.</p> <p>CVRF and YDFDA</p> <p>These are components of the CDQ summary plans, and also included in the ARDORS plans. AVCP supports these efforts.</p>
	<p>Objective #3</p> <p>Organization:</p> <p>Status:</p>	<p>Expand market and sale of local Arts and Crafts.</p> <p>AVCP, Inc., ARDORS</p> <p>Affordable Internet technology to businesses and individuals must be made available. AVCP supports continuing efforts in this area by GCI, and alternative technologies such as small individual satellite dishes. Education and training is addressed under AVCP Tribal College.</p>
	<p>Objective #4</p> <p>Organization:</p> <p>Status:</p>	<p>Encourage and foster the development of village-based small businesses and community-based entrepreneurship opportunities.</p> <p>AVCP, Inc., Calista</p> <p>AVCP, Inc. will be able to offer support that is relevant to this region with the development of the AVCP Tribal College Center for Business and Entrepreneurship. See Goal #3, Objective #7. This is on going.</p>

Goal #5		Reduce cost of energy.
	Objective #1	Explore feasibility and markets for regional fuel and gasoline distribution points within the AVCP Region.
	Organization:	City of Mekoryuk, City of Emmonak, AVCP, Inc.
	Status:	City of Mekoryuk currently is in the process of planning for a port facility near Mekoryuk. City of Emmonak is also interested of planning in this area. Feasibility and marketability must be completed. Where required, AVCP offers technical assistance into the planning of these.
	Objective #2	Explore feasibility and market for piped natural gas within the AVCP Region.
	Organization:	City of Emmonak, AVCP, Inc.
	Status:	This concept is in the very early stages of planning. Feasibility and marketability must be established. Funding must be first identified and pursued.
	Objective #3	Explore feasibility and market for alternative energy sources within the AVCP Region.
	Organization:	AVCP, Inc.
	Status:	AVCP, Inc. will identify potential partnering entities that can explore this. Funding must be identified and pursued as the first task.
	Objective #4	Develop a region-wide energy plan.
	Organization:	Calista Corporation, AVCP, Inc.
	Status:	Calista is the designated lead, and is a part of their summary plan.
Goal #6		Support improvement of community infrastructure in the AVCP Region.
	Objective #1	Continue efforts of various agencies and communities in water, sewer, and solid waste disposal improvements throughout the AVCP Region.
	Organization:	Communities, Public Health Service, Village Safe Water, AVCP Regional Housing Authority
	Status:	These are on-going projects. Federally subsidized housing programs are required to address this as a part of housing development.
	Objective #2	Continue efforts of various agencies and communities in road improvements.
	Organization:	Communities, Department of Transportation, BIA, PHS, VSW, AVCP Regional Housing Authority.
	Status:	This are on going, often in conjunction of water and sewer development, and new housing development.
	Objective #3	Continue improvement of electrical generation and distribution systems.
	Organization:	Local power companies, AVEC
	Status:	Water and sewer development also requires capacity upgrades to electrical distribution and generation. New housing development also requires this. These are on going projects
	Objective #4	Continue improvement of airports and facilities within the AVCP Region.

	Organization:	Communities, DOT
	Status:	These are continuing. Several communities must be brought up to minimum airport standards throughout the region.
	Objective #5	Support dock and port facility developments that benefit regional economic opportunity and reduction of overall transportation costs.
	Organization:	City of Mekoryuk, City of Emmonak, AVCP, Inc.
	Status:	This is tied, in part, to reduction of energy costs, identified in Goal #5. Feasibility and marketability must be completed. Where required, AVCP offers technical assistance into the planning of these.
	Objective #6	Support upgrade and improvement of communications technology, including affordable, reliable, and fast Internet connections.
	Organization:	Communities, GCI, Unicom, Tundra Technologies, AVCP, Inc., others.
	Status:	Continuing efforts that promise affordability, reliability, and speed are supported. Businesses and individuals must be served in addition to education and health entities. E-commerce has great potential in the villages, which includes the sale of local arts and crafts through the medium (Goal #4, Objective #3).
	Objective #6	Develop a regional transportation plan.
	Organization:	Calista Corporation, AVCP, Inc.
	Status:	Calista is the lead in this objective. This is included in their summary plan.
Goal #7		Support programs to protect the environment.
	Objective #1	Continue tank farm upgrades and remediation efforts.
	Organization:	Communities, ANCSA local Corporations, Calista, local and regional power companies, school districts, Denali Commission.
	Status:	This is an on-going effort in the region. AVCP supports the continuing efforts.
	Objective #2	Develop and support recycling projects in the AVCP communities.
	Organization:	AVCP, Inc.
	Status:	AVCP has Americorp VISTA volunteers stationed in 11 locations doing environmental education and demonstration recycling projects. Currently, the Bethel-based Vista is pursuing funding to turn cardboard and paper waste into logs, which in turn will be sold in the region. The region, especially the coastal areas, depends on availability of driftwood both for supplemental heating and steam baths.

VII. ENVIRONMENTAL ISSUES

The AVCP Region lies within the Yukon Delta National Wildlife Refuge, which is the summer breeding ground for numerous species of birds, including 2 that are listed as threatened. The refuge begins essentially a stone's throw from the area's established communities, which means any development must be consistent with government regulations in reference to impacts on wildlife. Also, the region is essentially wetlands, which requires comprehensive environmental reviews for any project funded in whole or in part through governmental agencies. The Cape Romanzof Long Range Radar Site, additionally, is officially designated a contaminated site by the Alaska Department of Environmental Conservation.

Because of the need to maintain regulatory compliance for development in the region, AVCP is cognizant of environmental reviews and clearances as required of 24CFR Part 58. AVCP is also aware clearance procedures are time consuming, meaning this must be considered as a major task early in implementation of any project development.

To maintain consistency with established environmental review procedures, AVCP will use the Environmental Assessment Checklist and Statutory Checklist that meet the National Environmental Policy Act (NEPA). These checklists include flood plains, water and air quality, wetlands and wildlife protection, historic properties, etc. Basically, no project may start without prior applicable clearances.

VIII. PLAN FOR EVALUATION

This plan covers a period of 5 years from 2002 to 2007. Each of the goals and objectives will be evaluated no less than annually. The evaluation will set out accomplishments achieved in the year, problems encountered, strategies to resolve problems encountered, and a report generated summarizing the status of the goals and objectives. The CEDS will be updated annually which incorporate evaluation and finding, and where required, the plan amended to reflect actual accomplishments and changed conditions.

The Economic Development Planner of the Planning Department of AVCP will be responsible for evaluation implementation.

APPENDIX A